

Minco Silver Corporation

(A development stage enterprise)

Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

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Minco Silver Corporation

(A development stage enterprise)

Condensed Consolidated Interim Statement of Financial Position

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	March 31, 2013	December 31, 2012
Assets	\$	\$
Current assets		
Cash and cash equivalents (note 4)	22,792,970	22,586,298
Short-term investments (note 5)	41,592,362	42,550,265
Receivables	361,141	148,244
Due from related parties (note 8(b))	1,544,427	1,250,129
Prepaid expenses and deposits	373,336	388,880
	<u>66,664,236</u>	<u>66,923,816</u>
Mineral interests (note 6)	22,466,824	21,012,566
Property, plant and equipment	545,222	572,583
	<u>89,676,282</u>	<u>88,508,965</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	485,826	512,604
	<u>485,826</u>	<u>512,604</u>
Shareholders' equity		
Share capital (note 7(a))	105,681,636	105,669,226
Contributed surplus	19,739,523	18,555,614
Accumulated other comprehensive income	1,048,272	414,201
Deficit	(37,278,975)	(36,642,680)
	<u>89,190,456</u>	<u>87,996,361</u>
Total liabilities and equity	<u>89,676,282</u>	<u>88,508,965</u>

Subsequent event (note 11)

Approved by the Board of Directors:

(signed) Chan-Seng Lee Director

(signed) George Lian Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Minco Silver Corporation

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Condensed Consolidated Interim Statements of Operations and Net Loss

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	2013	2012
	\$	\$
Administrative expenses		
Audit, legal and regulatory	83,200	173,769
Amortization	41,850	46,872
Consulting	16,254	65,077
Directors' fees	26,750	21,000
Field office expenses	120,411	91,458
Foreign exchange (gain) loss	(482,621)	451,843
Investor relations	75,890	77,656
Office administration expenses	42,467	32,331
Property investigation	13,843	-
Rent	65,136	62,640
Salaries and benefits	83,223	79,351
Share-based compensation (note 7(b))	746,990	624,866
Travel and transportation	10,448	26,530
	<hr/>	<hr/>
	843,841	1,753,393
Operating loss	(843,841)	(1,753,393)
Finance and other income (expenses)		
Interest income	207,546	190,737
Other expenses	-	(70,771)
	<hr/>	<hr/>
	207,546	119,966
Net loss for the period	<hr/>	<hr/>
	(636,295)	(1,633,427)
Loss per share – basic and diluted	(0.01)	(0.03)
Weighted average number of common shares outstanding – basic and diluted	59,046,826	58,736,817

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

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Condensed Consolidated Interim Statements of Comprehensive Loss

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	2013	2012
	\$	\$
Net loss for the period	(636,295)	(1,633,427)
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation from functional to presentation currency	<u>634,071</u>	<u>(261,886)</u>
Comprehensive loss for the period	<u>(2,224)</u>	<u>(1,895,313)</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Minco Silver Corporation

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Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	Changes in Shareholders' Equity					
	Number of Shares	Share capital \$	Contributed surplus \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total \$
Balance - January 1, 2012	58,696,084	104,804,411	15,026,739	742,002	(31,966,130)	88,607,022
Net loss for the period	-	-	-	-	(1,633,427)	(1,633,427)
Exchange differences on translation from functional to presentation currency	-	-	-	(261,886)	-	(261,886)
Share-based compensation	-	-	847,022	-	-	847,022
Proceeds on issuance of shares from exercise of options	231,668	467,566	(204,315)	-	-	263,251
Balance – March 31, 2012	58,927,752	105,271,977	15,669,446	480,116	(33,599,557)	87,821,982
Balance - January 1, 2013	59,041,418	105,669,226	18,555,614	414,201	(36,642,680)	87,996,361
Net loss for the period	-	-	-	-	(636,295)	(636,295)
Exchange differences on translation from functional to presentation currency	-	-	-	634,071	-	634,071
Share-based compensation	-	-	1,189,319	-	-	1,189,319
Proceeds on issuance of shares from exercise of options	6,667	12,410	(5,410)	-	-	7,000
Balance – March 31, 2013	59,048,085	105,681,636	19,739,523	1,048,272	(37,278,975)	89,190,456

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Minco Silver Corporation

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Condensed Consolidated Interim Statements of Cash Flows

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

	2013	2012
	\$	\$
Cash flows from operating activities		
Net loss for the period	(636,295)	(1,633,427)
Adjustments for:		
Amortization	41,850	46,872
Foreign exchange (gain) loss	(482,959)	215,035
Share-based compensation (note 7(b))	746,990	624,866
Changes in items of working capital:		
Receivables	(205,306)	365,383
Prepaid expenses and deposits	24,317	1,892,530
Accounts payable and accrued liabilities	(35,274)	(124,467)
Due from related parties (note 8(b))	(210,103)	(352,655)
Net cash generated from (used in) operating activities	<u>(756,780)</u>	<u>1,034,137</u>
Cash flows from financing activities		
Proceeds from exercise of stock options	7,000	263,251
Net cash generated from financing activities	<u>7,000</u>	<u>263,251</u>
Cash flows from investing activities		
Development costs	(447,300)	(364,454)
Property, plant and equipment	-	(784)
Short-term investments	1,000,000	(510,071)
Net cash generated from (used in) investing activities	<u>552,700</u>	<u>(875,309)</u>
Effect of exchange rates on cash	<u>403,752</u>	<u>(180,016)</u>
Increase in cash and cash equivalents	206,672	242,063
Cash and cash equivalents - Beginning of period	<u>22,586,298</u>	<u>27,574,152</u>
Cash and cash equivalents - End of period	<u>22,792,970</u>	<u>27,816,215</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Minco Silver Corporation

(A development stage enterprise)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

1. General information

Minco Silver Corporation (“Minco Silver” or the “Company”) is a development stage enterprise, engaged in exploring, evaluating and developing silver-dominant mineral properties and projects in China. Minco Silver was incorporated on August 20, 2004 under the laws of British Columbia, Canada and its Common Shares are listed on the Toronto Stock Exchange (“TSX”). The Company trades under the symbol “MSV” and its registered office is 2772 – 1055 West Georgia Street, Vancouver, British Columbia, Canada.

As at March 31, 2013, Minco Gold Corporation (“Minco Gold”) owned a 22.02% (December 31, 2012 – 22.02%) equity interest in Minco Silver.

2. Basis of preparation

These condensed consolidated interim financial statements include the accounts of Minco Silver Corporation and its wholly owned subsidiaries, Minco Silver Ltd., Minco Yinyuan Co. and Minco Investment Holdings HK Ltd. In addition, these consolidated financial statements include the accounts of Foshan Minco Fuwan Mining Co. Ltd. (“Foshan Minco”). Foshan Minco is legally owned by Minco Mining (China) Corporation (“Minco China”), an indirect subsidiary of Minco Gold, and held in trust for Minco Silver. As a result of this structure Minco Silver must advance funds through Minco Gold, Minco Resources and Minco China in order to fund the activities of Foshan Minco. Foshan Minco is subject to a 10% net profit interest held by Guangdong Geological Bureau (“GGB”).

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed consolidated interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2012, which were prepared in accordance with IFRS as issued by the IASB.

Except as described in note 3, the accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the preparation of the consolidated annual financial statements for the year ended December 31, 2012.

These condensed consolidated interim financial statements were approved by the board of directors for issue on May 10, 2013.

Minco Silver Corporation

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

3. Significant accounting policies

Share-based payments

Restricted Share Units (“RSU”) are equity-settled and are fair valued based on the market value of the shares at the grant date. The associated compensation cost is recognized over the vesting period based on the number of units estimated to vest. Management estimates the number of awards likely to vest on grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period. On the vesting date, the shares are issued from treasury.

Adoption of new accounting standards and amendments

Effective January 1, 2013, the Company adopted the four new accounting standards and amendment to IAS 1, *Presentation of Financial Statements*.

(i) IFRS 10 – *Consolidated Financial Statement*

This standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This standard: (i) requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements; (ii) defines the principle of control, and establishes control as the basis for consolidation; (iii) sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee; and (iv) sets out the accounting requirements for the preparation of consolidated financial statements. IFRS 10 supersedes IAS 27 *Consolidated and Separate Financial Statements* and SIC-12 *Consolidation - Special Purpose Entities*. The adoption of this standard did not have an impact on our condensed consolidated interim financial statements.

(ii) IFRS 11 – *Joint Arrangements*

This standard requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities—Non-monetary Contributions by Venturers*. The adoption of this standard did not have an impact on our condensed consolidated interim financial statements.

(iii) IFRS 12 – *Disclosure of Interests in Other Entities*

This standard establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature of, and risks associated with, an entity’s interests in other entities. IFRS 12 supersedes IAS 27, IAS 28 *Investments in Associates* and IAS 31 *Interests in Joint Ventures*. The adoption of this standard did not have an impact on our condensed consolidated interim financial statements, but will require additional disclosures to be included in the Company’s 2013 annual financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

3. Significant accounting policies (continued)

(iv) IFRS 13 – Fair Value Measurement

This is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures. The adoption of this standard did not have an impact on the measurement of any balances on our condensed consolidated interim financial statements. In conjunction with the implementation of IFRS 13 and IAS 34, the interim financial statements were amended to include certain IFRS 13 disclosures. These disclosures required in the interim financial statements are included in note 9.

(v) IAS 1 – Presentation of Financial Statements

The amendment to IAS 1, Presentation of Financial Statements, requires entities to separate items presented in OCI into two groups based on whether or not items may be recycled in the future.

4. Cash and cash equivalents

	Amount in original currency	March 31, 2013 Canadian dollar equivalent \$
Cash denominated in Canadian dollars	474,123	474,123
Cash denominated in US dollars	13,001,177	13,235,192
Cash denominated in Chinese RMB	56,102,472	9,083,655
		<u>22,792,970</u>
		December 31, 2012 \$
Cash denominated in Canadian dollars	116,871	116,871
Cash denominated in US dollars	13,101,378	13,060,764
Cash denominated in Chinese RMB	59,630,026	9,408,663
		<u>22,586,298</u>

Under Chinese law, cash advanced to the Company's Chinese subsidiaries as registered share capital is maintained in the subsidiaries' registered capital bank account. Remittance of these funds back to Canada may require approvals by the relevant government authorities or designated banks in China or both.

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(Unaudited, expressed in Canadian dollars, unless otherwise stated)

5. Short-term investments

As at March 31, 2013 and December 31, 2012, short-term investments consist of cashable guaranteed investment certificates with one year to maturity. The yields on these investments were between 0.95% and 1.75%.

6. Mineral interests

(a) Fuwan Silver Deposit

Minco Silver has a 100% beneficial interest in Foshan Minco, the operating company and permit holder for the Fuwan project, subject to a 10% net profit interest held by GGB. There will be no distributions to or participation by GGB, until such time as Minco Silver's investment in the project is recovered. GGB is not required to fund any expenditures related to the Fuwan project. The permit for the Fuwan project is the Luoke-Jilinggang exploration permit, which was renewed on August 11, 2011. The current exploration permit granted by the Ministry of Land and Resources of China is for a two-year period ending on July 20, 2013.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers.

The following is a summary of project development costs capitalized to mineral interests from January 1, 2013 to March 31, 2013.

	2013 \$
Opening Balance – January 1, 2013	21,012,566
Consulting fees	96,060
Salaries and benefits	60,063
Share-based compensation	442,329
Mining license application	198,527
Environment impact assessment	11,391
Travel	41,435
Other development costs	39,824
Foreign exchange gain	564,629
Ending Balance – March 31, 2013	22,466,824

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For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

6. Mineral interests (continued)

(b) Fuwan Silver Belt

In 2005, the Company acquired three additional silver exploration permits on the Fuwan belt, referred to as the Guanhuatang Property, the Hecun Property and the Guyegang-Sanyatang Property at a cost of \$267,427 (RMB 1,500,000). These three permits were renewed for a two-year period ending on April 7, 2014 and are currently held by Minco China in trust for the Company.

During the three months ended March 31, 2013, the Company did not conduct any regional exploration activities on the Fuwan Silver Belt, except for maintaining the exploration permits.

(c) Changkeng Silver Mineralization

Minco Gold has assigned its right to earn a 51% interest in the Changkeng Silver Mineralization to the Company. Minco Gold is responsible for all the costs related to the gold mineralization on the Changkeng Property; the Company is responsible for the costs related to the silver mineralization. The Changkeng exploration permit expires on September 10, 2013.

During the three months ended March 31, 2013, the Company did not conduct any exploration activities at the Changkeng project, except for maintaining the exploration permit.

7. Share capital

(a) Common Shares

Authorized: Unlimited number of common shares without par value.

(b) Long-term Incentive Plan

The Company may grant up to 15% of its issued and outstanding shares as options, restricted share units, performance share units and deferred share units, to its directors, officers, employees and consultants under its long-term incentive plan.

Stock Options

The Company's long-term incentive plan allows the board of directors to grant options for periods of up to ten years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on a date preceding the date the options are granted. These options are equity settled.

During the three months ended March 31, 2013, the Company granted stock options for 1,900,000 common shares to its directors, officers and employees at a weighted exercise price of \$1.67 per share that vest over an 18-month period from the issuance date.

The Company recorded \$965,409 of share-based compensation for stock options for the three months ended March 31, 2013 (2012 - \$847,022). Share-based compensation expense of \$724,599 (2012 - \$624,866) was recorded in the statement of operations and net loss and share-based compensation expense of \$240,809 (2012 - \$222,156) was capitalized to mineral interests.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

7. Share capital (continued)

A summary of the options outstanding is as follows:

	Number outstanding	Weighted average exercise price \$
Balance, January 1, 2012	4,353,204	3.85
Granted	2,455,000	2.33
Exercised	(345,334)	1.17
Expired	(305,000)	2.61
Forfeited	(908,701)	4.16
	<hr/>	
Balance, December 31, 2012	5,249,169	3.34
Granted	1,900,000	1.67
Exercised	(6,667)	1.05
Expired	(300,000)	2.58
Forfeited	(40,000)	2.03
	<hr/>	
Balance, March 31, 2013	<u>6,802,502</u>	<u>2.92</u>

The weighted average share price on the day options were exercised was \$1.99 (Three months ended March 31, 2012 - \$2.37).

<u>Options outstanding</u>				<u>Options exercisable</u>	
Range of exercise prices \$	Number outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Number exercisable	Weighted average exercise price \$
1.05-1.50	550,000	2.43	1.21	333,334	1.06
1.51-2.25	1,900,836	4.52	1.73	194,169	2.00
2.26-3.00	2,235,000	3.96	2.35	1,486,675	2.35
3.01-4.50	296,666	2.17	3.28	296,666	3.28
4.51-6.45	1,820,000	2.88	5.31	1,663,332	5.32
	<hr/>			<hr/>	
	6,802,502	3.62	2.92	3,974,176	3.54
	<hr/>			<hr/>	

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

7. Share capital (continued)

The Company used the Black-Scholes option pricing model to determine the fair value of the options with the following assumptions:

	2013	2012
Risk-free interest rate	1.12% - 1.47%	1.04% - 1.58%
Dividend yield	0%	0%
Volatility	70% - 100%	72% - 106%
Forfeiture rate	27%	25%
Estimated expected lives	5 years	5 years

Option pricing models require the use of subjective estimates and assumptions including the expected stock price volatility. The stock price volatility is calculated based on the Company's historical volatility. Changes in the underlying assumptions can materially affect the fair value estimates and therefore, in management's opinion, existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

Restricted Share Units, Performance Share Units

During the three months ended March 31, 2013, the Company granted 560,000 RSUs to the CEO. RSU's are equity –settled and measured based on the value of the Company's share price at the date of grant and vest over a 12- month period from the date of grant. The weighted average grant date fair value of the RSU's was \$918,400.

As at March 31, 2013, the Company has not granted any performance share units.

During the three months ended March 31, 2013, the Company recorded \$223,911 of share-based compensation for RSU. Share-based compensation of \$22,391 was recorded in the statement of operations and net loss and share-based compensation expense of \$201,520 was capitalized to mineral properties.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

8. Related party transactions

(a) Funding of Foshan Minco

The Company cannot invest directly in Foshan Minco as Foshan Minco is legally owned by Minco China. All funding supplied by the Company for exploration of the Fuwan Project must first go through Minco China via Minco Gold and Minco Resources to comply with Chinese law. In the normal course of business the Company uses trust agreements when providing cash, denominated in US dollars, to Minco China via Minco Gold and Minco Resources for the purpose of increasing the registered capital of Foshan Minco. Minco China is a registered entity in China and is classified as being a wholly foreign-owned entity and therefore can receive foreign investment. Foshan Minco is a Chinese company with registered capital denominated in RMB and therefore can only receive domestic investment from Minco China. Increases to the registered capital of Foshan Minco must be denominated in RMB.

On August 12, 2011, the Company, Minco Gold and Minco China entered into a trust agreement in which Minco Gold and Minco China confirmed that they received the US\$10 million and Minco China was required to exchange these US fund into RMB in order to increase Foshan Minco's registered share capital. Once all the funds are transferred from Minco China to Foshan Minco, the trust agreement is effectively settled.

As at March 31, 2013, Minco China held RMB 39,086,005 (\$6,328,488) in trust for the Company, out of which, the RMB 37 million was transferred to Minco Yinyuan Co. on April 7, 2013.

(b) Shared expenses

Minco Silver and Minco Gold share offices and certain administrative expenses in Beijing and Vancouver.

Amounts due from related parties as at March 31, 2013 were \$1,544,427 (December 31, 2012 – \$1,250,129) and consisted of the following:

Amount due to Minco China as at March 31, 2013 of \$1,103,934 (December 31, 2012 – \$1,075,820) representing expenditures incurred by Minco China on behalf of Foshan Minco.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

8. Related party transactions (continued)

Amount due from Minco Gold as at March 31, 2013 of \$2,648,361 (December 31, 2012 – \$2,325,949) representing funds advanced from Minco Silver to Minco Gold to support its operating activities in Canada, net of shared head office expenses.

The amounts due are unsecured, non-interest bearing and payable on demand.

The above two amounts will be net settled and accordingly have been presented as a net balance on the consolidated statements of financial position.

During the three months ended March 31, 2013, the Company paid or accrued \$38,357 (March 31, 2012 – \$24,063) in respect of rent and \$169,092 (March 31, 2012 – \$172,066) in respect of shared head office expenses and administration costs to Minco Gold.

The above transactions are conducted in the normal course of business.

(c) Key management compensation

In the three months ended March 31, 2013 and 2012, the following compensation was paid to key management. Key management includes the Company's directors and senior management. This compensation is included in development costs and administrative expenses.

	Three months ended March 31,	
	2013	2012
	\$	\$
Cash remuneration	154,912	166,614
Share-based compensation	841,015	539,537
	<u>995,927</u>	<u>706,151</u>

9. Fair value measurements

Financial assets and liabilities that are recognized on the balance sheet at fair value can be classified in a hierarchy that is based on the significance of the inputs used in making the measurements. The levels in the hierarchy are:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company has no financial assets or liabilities measured at fair value.

Financial instruments that are not measured at fair value on the balance sheet are represented by cash and cash equivalents, short-term investments, receivables, due from related parties, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying value due to their short term nature.

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Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited, expressed in Canadian dollars, unless otherwise stated)

10. Geographical information

The Company's business of exploration and development of mineral interest is considered as operating in one segment. The geographical division of the Company's assets and net loss is as follows:

Segment income (loss)

	Three months ended March 31, 2013		
	Canada	China	Total
	\$	\$	\$
General and administration	(793,283)	(50,559)	(843,842)
Finance and other income	190,938	16,609	207,547
	<u>(602,345)</u>	<u>(33,950)</u>	<u>(636,295)</u>

	Three months ended March 31, 2012		
	Canada	China	Total
	\$	\$	\$
General and administration	(1,289,851)	(463,542)	(1,753,393)
Finance and other income (loss)	183,539	(63,573)	119,966
	<u>(1,106,312)</u>	<u>(527,115)</u>	<u>(1,633,427)</u>

Assets by geography

	March 31, 2013		
	Canada	China	Total
	\$	\$	\$
Current assets	57,077,142	9,587,094	66,664,236
Non-current assets	1,767	23,010,279	23,012,046
Total assets	<u>57,078,909</u>	<u>32,597,373</u>	<u>89,676,282</u>

	December 31, 2012		
	Canada	China	Total
	\$	\$	\$
Current assets	57,113,081	9,810,735	66,923,816
Non-current assets	1,873	21,583,276	21,585,149
Total assets	<u>57,114,954</u>	<u>31,394,011</u>	<u>88,508,965</u>

Minco Silver Corporation

(A development stage enterprise)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2013 and 2012

(Unaudited, expressed in Canadian dollars, unless otherwise stated)

11. Subsequent event

On May 8, 2013, the Company advanced US\$14 million to Minco China via Minco Resources and Minco Gold in accordance with the trust agreement signed on April 30, 2013 in which Minco Silver agreed to advance US\$20 million to Minco China to increase Foshan Minco's registered share capital.