



**TSX: MMM**  
**NYSE.MKT: MGH**  
**FSE: MI5**

May 22, 2015

## NEWS RELEASE

### MINCO GOLD ANNOUNCES SALE OF THE CHANGKENG GOLD PROJECT

**Minco Gold Corporation (TSX:MMM/NYSE.MKT:MGH/FSE:MI5)** (the "Company" or "Minco Gold") is pleased to announce that following a strategic review of the Company's mineral properties by the Company's board of directors (the "Board"), the Company has entered into a share purchase agreement with Minco Silver Corporation ("Minco Silver") and Minco Silver's wholly-owned subsidiary, Minco Investment Holdings HK Ltd. ("Minco Investment"), as purchaser (the "Share Purchase Agreement"), providing for the sale of the Company's 51% undivided interest in the Changkeng Gold Project for an aggregate purchase price of \$13,732,260 (the "Purchase Price"), subject to certain adjustments. The Company intends to use the proceeds from the transaction to pursue strategic mineral acquisitions, joint ventures or other transactions outside of China.

The Changkeng Gold Project is held by Guangdong Mingzhong Mining Co. Ltd. ("Mingzhong") a Chinese corporation owned 51% by two indirect wholly owned subsidiaries of Minco Resource Limited ("Minco Resources"), itself a wholly owned subsidiary of the Company, with the remaining 49% held by an unrelated third party (the "Changkeng Joint Venture"). Minco Resources also holds exploration permits in various other regions of China, including the Longnan Project, the Gold Bull Mountain Project and the Tugurige Gold Project (collectively, the "Other Projects"). Following completion of the sale, Minco Silver will continue to hold, directly or indirectly, the Other Projects in trust for the benefit of the Company. The Company will also continue to hold its investment of 11,000,000 common shares in Minco Silver.

Under the Company's governing corporate legislation, the *Business Corporations Act* (British Columbia), the transaction constitutes the sale of substantially all of the Company's assets and must be approved by a special resolution of the shareholders. The Company intends to seek shareholder approval of the transaction at the Company's upcoming annual general and special meeting of shareholders, to be held on June 25, 2015 (the "Meeting"). In connection with the Meeting, the Company will prepare and distribute a management information circular containing full particulars of the terms of the transaction. A copy of the Share Purchase Agreement will also be made available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Transaction Overview

The Board has determined that it is in the best interests of the Company to enter into the Share Purchase Agreement and sell all of its interest in the Changkeng Gold Project and the Changkeng Joint Venture to Minco Investment for the Purchase Price. The Purchase Price is supported by an independent third party valuation by RWE Growth Partners Inc. dated May 7, 2015, which determined that the Changkeng Gold Project has a fair market value in the range \$21,700,000 to \$29,600,000, with a midpoint of \$25,700,000, or \$13,100,000 based on the Company's 51% interest in the property. The Board has determined that the resulting simplified corporate structure of the Company following the sale together with the proceeds from the sale, would best position the Company for pursuing other strategic mineral acquisitions, joint ventures or other transactions outside China while eliminating the costs of carrying and maintaining the Chinese corporate structure and preserving the residual value of the Other Projects. The Company intends to sell the Other Projects in due course.

An advance payment in the amount of \$1,600,000 (the "Advance") was made by Minco Silver to the Company concurrent with the signing of the Share Purchase Agreement, with the Company's shares in Minco Silver being pledged as collateral for the Advance. At closing of the Share Purchase Agreement, the Purchase Price shall be partially set off by the Advance and the Company's outstanding indebtedness to Minco Silver in the amount of \$3,700,000.

The transaction, if approved by the shareholders of the Company and Minco Silver and if all other conditions to closing and actions to be taken at closing set forth in the Share Purchase Agreement are met, completed or where applicable, waived, is expected to close on or before July 31, 2015. Closing is also conditional on the holders of no more than 5% of the outstanding common shares of the Company having exercised their rights of dissent in respect of the resolution approving the transaction and the Share Purchase Agreement.

#### Related Party Considerations

The Company owns 11,000,000 common shares of Minco Silver, representing approximately 18.4% of Minco Silver's outstanding common shares, and Ken Cai, president, chief executive officer and director of the Company, owns 560,000 common shares of Minco Silver, representing an additional 0.9% of Minco Silver's outstanding common shares. In addition, Mr. Cai serves as chairman, chief executive officer and director of Minco Silver. Mr. Cai has disclosed this interest to the Board and has abstained from voting on any resolutions of the Board in respect of the transaction and the Share Purchase Agreement.

#### Management Change

The Company also announced that Samson Siu, the Company's interim chief financial officer and corporate controller, is no longer with the Company. The Company has commenced a search for a replacement. Mr. Cai, the Company's Chief Executive Officer and President, commented: "On behalf of the Board, I would like to express our appreciation to Mr. Siu for his outstanding contributions to the Company and wish him well in his future endeavours."

#### **About Minco Gold Corporation**

Minco Gold Corporation (TSX:MMM/NYSE.MKT:MGH/FSE:MI5) is a Canadian mining company involved in the direct acquisition and development of high-grade, advanced stage gold properties. Following the completion of the transaction, the Company's principal asset, excluding cash, is 11 million shares (approximately 18.4%) of Minco Silver Corporation.

For further information, please visit the website at [www.mincomining.ca](http://www.mincomining.ca) or contact Jennifer Trevitt, Corporate Secretary of the Company, at 1-888-288-8288 or (604)-688-8002 [pr@mincogold.com](mailto:pr@mincogold.com).

#### **FORWARD-LOOKING INFORMATION**

This press release contains certain forward-looking information that reflects the current views and/or expectations of the Company with respect to its performance, business and future events. In particular, this press release contains forward-looking information relating to the sale of the Changkeng Gold Project and the Share Purchase Agreement, including anticipated timing for the closing of the sale, expected use of proceeds and expectations surrounding the Company's future business strategies should the transaction complete. The reader is cautioned that statements constituting forward-looking information are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict and that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Forward-looking information is based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates. Assumptions underlying the Company's expectations regarding forward-looking information contained in this news release include, among others: that the Company will obtain all necessary shareholder, stock exchange and regulatory approvals for the transaction and all other

conditions to closing of the Share Purchase Agreement will be satisfied or waived; that the Company will be able to complete the transaction as expected and within expected timeframes; and that the Company will hold the Meeting as planned. Investors are cautioned that statements constituting forward-looking information are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, including, without limitation, that the Company may be unable to obtain all necessary shareholder and regulatory approvals for the transaction as and when expected or at all; that the transaction may not be completed as expected or at all as a result of failure to satisfy or waive any of the conditions of closing; that the Company's common shares may be delisted from the stock exchanges it is currently listed on as a result of the Company's inability to satisfy the continuing listing requirements following the completion of the sale; and that market or other conditions may necessitate a reapplication of the use of proceeds received from completion of the Share Purchase Agreement; and other risk factors detailed in the Company's latest Annual Report on Form 20-F, available on SEDAR at [www.sedar.com](http://www.sedar.com) and other filings with applicable securities regulatory authorities. Accordingly, readers should not place undue reliance on statements constituting forward-looking information, which are qualified in their entirety by this cautionary statement. Except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking information to reflect, in particular, new information or future events.