



**MINCO**  
CAPITAL CORP.

*INVESTING IN NATURAL RESOURCES*



**TSX-V: MMM**

**OTCQB: MGHCF**

**September 2019**



# Focused on Strategic Investments

Minco Capital is focused on utilizing its strong working capital position, extensive industry contacts and internal expertise to build a portfolio of high-quality investments in publicly traded and privately held corporations, as well as direct ownership stakes in resource projects.

## Guiding Principals:

- Capitalize on steadily improving market conditions in the mineral resource sector.
- Enhance returns by using a disciplined approach to focus on opportunities with attractive risk-reward profiles.
- Preserve capital and limit downside risk while achieving a reasonable rate of return.



# Commodities

- Emphasis is on value upside and growth potential without being specific to one commodity.
- Commodities considered to date:
  - Precious metals.
  - Base metals.
  - Specialty E-Metals (cobalt, lithium, graphite etc.)
  - Agricultural minerals.
  - Industrial minerals.
  - Bulk Commodities.



# Types of Investments

- Investment selection is directed by an Investment Committee and guided by the Company's Investment Policy.
- The nature and timing of investments depends on the quality of investment opportunities and the availability of capital.
- Types of investment facilities may include:
  - Common shares.
  - Preferred shares.
  - Warrants.
  - Royalties.
  - Convertible debentures.
  - Term loans.

# Market Value of Investments

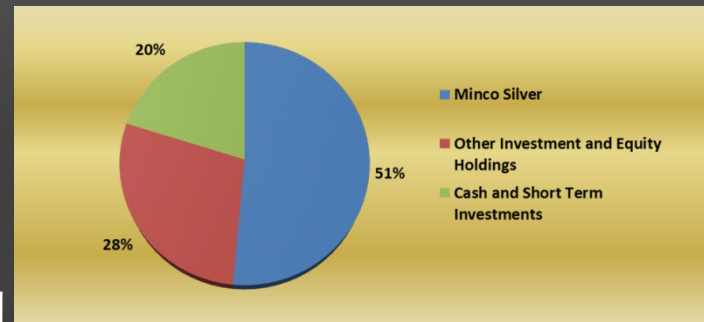
(at June 30<sup>th</sup>, 2019)



**Asset Value per share = \$0.31**

*Un-audited*

Minco Silver	\$6,930,000
*Other Investments	\$3,824,321
**Cash and Short Term Inv.	\$2,717,451
Total	\$13,471,772



\*Individual holdings less than 10% of issuer

\*\*U.S. dollar component of cash converted at USD:CDN = 1:1.31

# Equity Holdings (at June 30<sup>th</sup>, 2019)



Holdings	Symbol: Exchange	Number of Shares Held	Market Value CAN\$	Website Link
<b>Top 10 Resource Holdings (by market value)</b>				
Minco Silver Corp.	MSV:TSX	11,000,000	6,930,000	<a href="http://www.mincosilver.ca">www.mincosilver.ca</a>
Hudson Resources Inc.	HUD:TSXV	2,142,857	964,285	<a href="http://www.hudsonresources.ca">www.hudsonresources.ca</a>
Continental Gold Inc.	CNL:TSX	120,025	454,895	<a href="http://www.continentalgold.com">www.continentalgold.com</a>
RoxGold Inc.	ROXG:TSX	306,800	331,344	<a href="http://www.roxgold.com">www.roxgold.com</a>
Equinox Gold Corp.	EQX:TSXV	224,600	267,274	<a href="http://www.equinoxgold.com">www.equinoxgold.com</a>
Amerigo Resources	ARG:TSX	209,000	150,480	<a href="http://www.amerigoresources.com">www.amerigoresources.com</a>
Cobalt 27 Capital	KBLT:TSXV	35,000	148,050	<a href="http://www.co27.com">www.co27.com</a>
Amarillo Gold	AGC:TSXV	715,000	146,575	<a href="http://www.amarillogold.com">www.amarillogold.com</a>
Neo Performance	NEO:TSX	11,000	137,610	<a href="http://www.neomaterials.com">www.neomaterials.com</a>
Global X Lithium ETF	LIT:Z	3,500	119,574	<a href="https://www.globalxfunds.com/funds/lit">https://www.globalxfunds.com/funds/lit</a>
<b>Other Equities</b>			480,413	
<b>Private Company</b>	El Olivar Imperial	400,000	523,821	
<b>Total</b>			10,654,321	



## Debentures and Warrants (at June 30<sup>th</sup>, 2019)

Warrant Holdings	Symbol: Exchange	Warrants	Exercise Price	Expiry Date
Almaden Minerals	AMM:TSX	50,000	\$1.35	June 7, 2022
Amarillo Gold	AGC:TSXV	357,500	\$0.38	Mar 29, 2020
Hudson Resources Inc.	HUD:TSXV	1,071,428	\$0.50	Feb 16, 2020
IBC Advanced Alloys	IB:TSXV	230,000	\$0.37	June, 2023
Mexican Gold	MEX:TSXV	335,000	\$0.60	April 11, 2021
Convertible Debentures	Symbol: Exchange	Term and Maturity Date	Investment amount and Annual Interest	Conversion Price
IBC Advanced Alloys	IB:TSXV	5 years (June 2023)	\$100,000 8.25%	\$0.31

USD:CDN = 1.31

# Corporate Snapshot

(at June 30<sup>th</sup>, 2019)



Share Structure and Capitalization	
Shares Outstanding	50,533,381
Options Outstanding (avg Ex, price = \$0.20)	6,928,334
Fully Diluted Shares	57,461,715
Share Price on June 30 <sup>th</sup> , 2019	\$0.10
Basic Market Capitalization	\$5,053,338

Listings	
<u>Exchange</u>	<u>Symbol</u>
TSX-V	MMM
OTCQB	MGHCF
FSE	MI5

Major Shareholders	
Management and Insiders	9.2%
IDG-Accel China Growth Fund II L.P.	9.8%





# Minco Silver Equity Investment

- 11,000,000 common shares of Minco Silver (18.26%) - acquired in 2004 in exchange for the transfer of the Fuwan property and the silver interest in the Changkeng property located in Gaoming Country approximately 45 km southwest of Guangzhou City, China.
- The Fuwan Silver Project Feasibility Study\* includes estimated Reserves of 9.118 Mt averaging 189 g/t Ag which is expected to sustain an underground operation of 3,000 tpd for a mine life of 9.2 years, with an NPV<sub>c</sub> of \$111.5M, IRR of 33.2% at \$13.57/oz Ag, with payback in 2.3 years for a capital cost of \$73M.
- Minco Silver is working to obtain the final permits, mine design and mining licence for the project.
- In 2015, Minco Capital sold its 51% interest in the Changkeng gold deposit to Minco Silver for net cash consideration in excess of \$10 million. The Changkeng Gold deposit contains about 3.9 Mt averaging 4.89 gpt Au in the Indicated category and 4 Mt averaging 3 gpt Au in the Inferred category.
- Details regarding Minco Silver and its flagship Fuwan-Changkeng Project, including NI-43-101 Resource and Reserve estimates for Fuwan and Changkeng and Feasibility Study can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and Minco Silver's website at [www.mincosilver.ca](http://www.mincosilver.ca).

\* FUWAN SILVER PROJECT FEASIBILITY STUDY TECHNICAL REPORT, EFFECTIVE DATE: SEPTEMBER 1, 2009, ISSUE DATE: OCTOBER 23, 2009, Prepared by Jianhui (John) Huang, P.Eng., S. Byron V. Stewart, P.Eng., Aleksandar (Sasha) Živković, P.Eng., Scott Cowie, B.Eng., MAuSIMM, (Wardrop, A Tetra Tech Company), Eugene Puritch, P.Eng., P&E Mining Consultants Inc.

# Senior Management



## **Dr. Ken Z. Cai** ***Chairman & Chief Executive Officer***



- Ph.D. in Mineral Economics – Queen's University, Canada
- 31 years experience in mineral exploration, project evaluation, finance, and company management
- High level contacts with the Chinese government and within the mining community.

## **Ken Leigh** ***President***



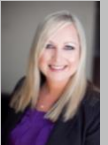
- BSc. In Geology, University of Toronto, MSc. in Geology, Western University.
- 28 years of experience in the mining industry, including business development, financial analysis of mining projects, exploration management and executive leadership.
- Served as President & CEO of Commander Resources Ltd. for seven years.
- Thirteen years with Teck Resources in exploration and business development.

## **Larry Tsang** ***Chief Financial Officer***



- Bachelor's Degree in Technology (Accounting) from BCIT in Canada
- More than 12 years of working experience in auditing, accounting, taxation; and finance for both private and public companies
- Currently the CFO of Minco Gold Corporation, Minco Base Metals Corporation, and a director of Grand Peak Capital Corp

## **Jennifer Trevitt** ***Vice President Corporate Affairs***



- Capilano University certified Paralegal
- 19 years experience working for Canadian and US public companies in the Securities/Corporate Finance industry
- Paralegal for the Insurance Corporation of British Columbia for 7 years
- Vice President Corporate Affairs and Corporate Secretary for Minco Silver Corporation and Minco Base Metals Corporation.

# Board of Directors



## Malcolm F. Clay

### *Director*

- FCA Chartered Accountant
- Partner of KPMG and its predecessor firms for 27 years
- Partner-In-Charge of the KPMG Vancouver Audit practice for 10 years
- Acted as an accountant and advisor for numerous private companies and is currently the Chairman of the audit committee for four TSX Venture Exchange listed companies
- Director of Hanwei Energy Services Corp. and GreenPower Motor Company.

## Dr. Michael Doggett

### *Director*

- Principal of Beach Meadows Resources, providing economic modelling, valuation and training services to the mining sector
- President of El Olivar Imperial, a private company developing a tailings reprocessing and custom milling project in Peru
- Adjunct Professor in the Department of Geological Sciences and Geological Engineering at Queen's University
- Degrees in Geology and Mineral Economics from Mount Allison University and Queen's University
- Director of Pacific Link Mining Corp.

## Robert Callander

### *Director*

- MBA from York University in Toronto, Canada
- CFA from the Institute of Investment Management in Charlotte, Virginia, USA
- Vice President of Caldwell Securities Ltd. since 1992
- Previous corporate finance analyst with Nesbitt Burns

## Michael Durose

### *Director*

- Professional Geologist (P.Ge.) registered in the Province of Ontario.
- MSc in mineral economics from Queen's University, Kingston
- BSc (Honours) in Geology from Carleton University, Ottawa
- Co-founded Mining Research Group Inc. in 2012, where he researches and advises on mining and resource-related investments
- From 1993 to 2008, he worked in capital markets as a senior mining analyst and adviser to investment funds, principally with Morgan Stanley, Bunting Warburg (now UBS Canada), Nesbitt Burns (now BMO Capital Markets Inc.) and Scotia Capital
- Founder of Durose Asset Management Inc., a fund manager, portfolio manager and exempt market dealer registered in the province of Ontario.

# Forward Looking Statement



Except for the statements of historical fact, the information contained herein is forward looking in nature. Forward looking information includes, but is not limited to, statements with respect to the future price of minerals and the effects thereof, the timing and amount of estimated capital expenditures, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, costs and timing of proposed activities, plans and budgets for and expected results of exploration and/or production activities, exploration and/or production and permitting time-lines, requirements for additional capital, government regulation of mining operations, environmental risks and reclamation obligations and expenses. This forward looking information is based on certain assumptions that Minco Capital Corp. (the "Company") believes are reasonable, including that the current price of and demand for minerals being targeted by the Company will be sustained or will improve, that the Company's current programs and objectives can be achieved, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that the Company will not experience any material accident, labour dispute, or failure of plant or equipment. Such forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of the Company to be materially different from any future results, performance or achievements expressed or implied by statements containing forward looking information. Such factors include, among others, results of exploration and development activities; our historical experience with development-stage mining operations; regulatory changes; possible variations in reserves, grades or recovery rates; availability of materials and equipment; timeliness of government approvals; changes in commodity prices, particularly silver prices; general economic, market and business conditions; unanticipated environmental impacts on operations; the availability of capital on acceptable terms; and the other factors discussed in the section of the Form 20F of the Company dated March 31, 2017 entitled "Risk Factors" filed with Canadian securities regulators and available at [www.sedar.com](http://www.sedar.com).

Certain information contained in this presentation concerning the industry and market in which the Company operates has been obtained from publicly available information from third party sources. The Company has not verified the accuracy or completeness of any information contained in such publicly available information. In addition, the Company has not determined if there has been any omission by any such third party to disclose any facts, information or events which may have occurred prior to or subsequent to the date as of which any such information became publicly available or which may affect the significance or accuracy of any information contained in any such information and summarized herein.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that statements containing forward looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on statements containing forward looking information. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward looking information.

# Forward Looking Statement



Readers are advised that National Instrument 43-101 ("NI 43-101") of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to the most recent annual continuous disclosure documents filed by the Company available on SEDAR at [www.sedar.com](http://www.sedar.com), for this detailed information, which is subject to the qualifications and notes set forth therein.

Further information is available in the Company's publicly filed documents available elsewhere on this website and on SEDAR at [www.sedar.com](http://www.sedar.com).

This presentation uses the terms "indicated resources" and "inferred resources". U.S. investors are advised that while these terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission (the "SEC") does not recognize them. "Inferred Resources" have a great amount of uncertainty as to their existence and their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of "Inferred Resources" may not form the basis of feasibility or other economic studies. U.S. investors are also cautioned not to assume that all or any part of an "Inferred Mineral Resource" exists, or is economically or legally mineable. In addition, the terms "mineral reserve" and "probable mineral reserve" are Canadian mining terms, the definitions of which differ from the definitions of the SEC. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.



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**FSE: MI5**