



**TSX: MMM**  
**NYSE Amex: MGH**  
**FSE: MI5**

January 13, 2011

**NEWS RELEASE**

**MINCO GOLD ACQUIRING A PRODUCING GOLD MINE IN CHINA**

**Minco Gold Corporation** (the "Company" or "Minco Gold") (**TSX:MMM/AMEX:MGH/FSE:MI5**) is pleased to announce that the Company, through its wholly owned subsidiary, Minco Mining (China) Co., Ltd. ("Minco China"), has entered into a Joint Venture Agreement (the "JV Agreement") with the 208 Exploration Team (the "208 Team"), a subsidiary of China National Nuclear Corporation (the "CNNC"), to acquire 51% equity interest on the Tugurige Gold Project located in Inner Mongolia, China.

Under the terms of the JV Agreement, the 208 Team will set up a new entity (the "JV Co") and transfer its 100% interest in the Tugurige Gold Project into the JV Co. Minco China has the right to contribute a total of RMB 250 million (approximately C\$37 million) (the "Earn-In Amount") to earn a 51% equity interest in the JV Co, with RMB 180 million (approximately C\$27 million) to be contributed by the end of March of 2011. The Earn-In Amount is subject to an independent evaluation of the value of the Tugurige Project. To secure the project, Minco China has provided RMB 60 million (approximately C\$9 million) in the form of a secured short term loan to the Tugurige Gold Mine. The short-term loan is secured by all the assets of the mine, including the mining licenses and exploration permits. Minco China has the right to convert the loan into its contribution to the Earn-In Amount upon appropriate approvals obtained.

The Tugurige Gold Project consists of the Tugurige Gold Mine, which consists of a 2.62 square kilometers area covered by one mining license, and its surrounding areas of 42.34 square kilometers covered by two exploration permits. The Tugurige Gold Mine is a high grade underground mine which has been producing gold since 1996 and currently operating at 600 tonnes per day, including two CIP mills with approximately 85% gold recovery. Gold is hosted within multiple quartz veins throughout the property.

Minco Gold is currently in the process of conducting detailed due diligence on the project and preparing a NI 43-101 compliant resource estimation on the property.

The JV Agreement is subject to the approvals of various Chinese government agencies. The Company will pay a finder's fee to a non-arm's length third party upon all approval obtained and successful conclusion of the transaction.

## **About Minco Gold**

**Minco Gold Corporation (TSX:MMM/NYSE Amex:MGH/FSE:MI5)** is a Canadian mining company involved in the direct acquisition and development of high-grade, advanced stage gold properties. The Company owns an exploration property portfolio covering more than 1,000 square kilometres of mineral rights in China. For more information on Minco Gold and its properties, please visit the website at [www.mincomining.ca](http://www.mincomining.ca) or contact Ute Koessler at 1-888-288-8288 or (604)-688-8002 [info@mincomining.ca](mailto:info@mincomining.ca).

### **ON BEHALF OF THE BOARD**

*"Dr. Ken Z. Cai"*

**President & CEO**

*The TSX has neither approved nor disapproved of the information contained herein. The statements that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably from these statements. The risks and uncertainties include those described in Minco Gold's annual report on Form 20-F filed with the U.S. Securities and Exchange Commission.*

**Forward Looking Statements:** *Statements in this news are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward looking statements are statements that are not historical facts and that are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including risks related to the exploration stage of the company's projects; market fluctuations in prices for securities of exploration stage companies; uncertainties about the availability of additional financing; uncertainties related to fluctuations in gold prices; the possibility that Minco Gold Corporation may change its plans with respect to one or more properties; and other risks and uncertainties described in the company's annual report on Form 20-F and Reports on Form 6-K filed with or furnished to the U.S. Securities and Exchange Commission. Although we believe the expectations reflected in our forward looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.*