

MINCO SILVER CORPORATION
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

1. Name and Address of Company

Minco Silver Corporation
2772 1055 West Georgia Street
Vancouver British Columbia, Canada V6E 3R5

2. Date of Material Change

September 28, 2009

3. News Release

A news release with respect to the material change referred to in this report was issued through Marketwire on September 28, 2009 and filed on the system for electronic document analysis and retrieval (SEDAR).

4. Summary of Material Change

Minco Silver Corporation (the "Company" or "Minco Silver") is pleased to announce the positive results of a Feasibility Study for the Fuwan Silver project located in Southeast China. The Feasibility Study was completed and overseen by Wardrop Engineering Inc. of Vancouver, BC, Canada. Wardrop worked in conjunction with China Nerin Engineering Co. Ltd. of Nanchang, China, Environmental Resource Management of Beijing, China and P&E Mining Consultants Inc. of Brampton, ON, Canada.

5. Full Description of Material Change

Minco Silver Corporation (the "Company" or "Minco Silver") (**TSX: MSV**) is pleased to announce the positive results of Feasibility Study (the "Study") for the Fuwan Silver project located in Southeast China. The Feasibility Study was completed and overseen by Wardrop Engineering Inc. of Vancouver, BC, Canada. Wardrop worked in conjunction with China Nerin Engineering Co. Ltd. ("NERIN") of Nanchang, China, Environmental Resource Management ("ERM") of Beijing, China and P&E Mining Consultants Inc. ("P&E") of Brampton, ON, Canada. All currencies listed are in US dollars, unless otherwise stated.

The Study defines an operation based on underground mining and milling of the ore producing a silver/lead concentrate and a zinc concentrate on site in township of Fuwan, approximately 45km southwest of the provincial capital of Guangzhou, China.

Highlights of Feasibility Study:

Feasibility Study Highlights (Pre-Tax)	Feasibility Results
Probable Mineral Reserve	9.118 Mt averaging 189 g/t Ag
Mine Life	9.2 Years
Daily Mine Throughput	3,000 tpd
Mill Recovery (Ag Recovered in both concentrates)	91%
Average Annual Recovered Ag in both concentrates	5.5 M oz
Total Recovered Ag in both concentrates	50.4 M oz
Total Operating Cost/t Ore Milled	\$34.42/t

Total Cash Cost per Payable oz Ag	\$5.65/oz
Pre-Production Capital Costs	\$73.1 M
Silver Price Used for Feasibility Study Economics	13.57/oz Ag
Total Revenue	\$648.2 M
Total Operating Cost	\$313.8 M
Total Royalty Payment	\$24.3 M
Total Operating Cash Flow	\$310.0 M
Net Present Value Before Tax @ 6% Discount Rate	\$111.5 M
Net Present Value Before Tax @ 8% Discount Rate	\$95.3 M
Internal Rate of Return Before Tax	33.2 %
Payback Period of Pre-Production Capital Costs	2.3 years
Construction Period	20 – 24 months

"We are very pleased with the results of the feasibility study. The study substantiates the quality of the Fuwan project. The present reserve base is an excellent starting point for the project and can be expanded significantly by upgrading the inferred resources into reserves and by potentially expanding the operation into the silver mineralization on the Changkeng Permit. We are progressing well with the permitting process and will continue to work expediently to bring this robust project into production." commented Dr. Cai, President and Chief Executive Officer.

Project Overview

Deposit

The Fuwan silver deposit (the "Deposit") falls into the broad category of sediment-hosted epithermal deposits and is characterized by 8 zones of vein and veinlet mineralization within zones of silicification. Zones 7 and 8 are not included in the reserve estimate. The predominant sulphide minerals are sphalerite and galena with lesser pyrite, as well as rare arsenopyrite, chalcopyrite, and bornite. The deposit is poor in gold (typically <0.2 ppm).

Resource Estimation

P&E completed five resource estimates for the Fuwan silver deposit in November 2005, November 2006, June 2007, December 2007 and May 2008. The May 2008 estimate, which is an update of the December 2007 estimate on the basis of infill drilling, formed the basis of the Study. All resource estimation technical reports were done in compliance with NI 43-101 and CIM standards, most of which were filed on SEDAR. There has been no additional drilling on the deposit area since that time.

Contained Mineral Resources (at a 40g/t Silver cut-off)

Resource Area & Classification (does not include Changkeng mineralization)	tonnes (M t)	Ag (g/t)	Ag (M oz)	Au (g/t)	Pb (%)	Zn (%)
Fuwan Permit Indicated	13.95	188	84.3	0.17	0.20	0.56
Fuwan Permit Inferred	10.24	171	56.1	0.26	0.26	0.72

Reserve Estimation

The resource estimate provided by P&E classified the resources for the Fuwan Zones 1 to 4 as indicated and inferred. The reserve does not include any resources from the Changkeng property. Only indicated mineral resources as defined in NI 43-101 were used to establish the probable mineral reserves. No reserves were categorized as proven.

Wardrop used a stope recovery factor of 95%, an average mining extraction rate of 97%, and an average 7% internal dilution, 8% external dilution, and 3% fill dilution to estimate the total amount of diluted probable mineral reserves. Ore reserve calculations conservatively assumed dilution to contain no metal.

Probable Mineral Reserves (Diluted and In-situ)

Zone	tonnes	Ag (g/t)	Ag (M oz) In-situ	Au(g/t)	Pb(%)	Zn(%)
1	1,328,000	186	7.9	0.18	0.06	0.32
2	4,806,000					
3	2,452,000	192	29.7	0.17	0.18	0.57
4	532,000	192	15.1	0.11	0.26	0.64
		150	2.6	0.07	0.42	0.82
Total	9,118,000	189	55.3	0.15	0.20	0.57

Notes: Reserve based on: Silver 13.00 US\$/oz; Gold 688 US\$/oz; Lead 0.88US\$/lb; Zinc 1.28US\$/lb; Operating cost of \$37.13/t

Mining

The mine will be accessed by a single decline developed at a gradient of -15%. Mining will be with conventional trackless mechanized equipment.

A 2 m minimum mining height was adopted for mechanized mining and mining methods will vary and be dependent upon orebody geometry, ground conditions, and ore grade.

Drift-and-fill mining, and a small amount of room-and-pillar mining, will be used for flat lying zones. As the orebody has reasonably good grades, a trade-off study was undertaken to assess at what grade it would be worth backfilling with cemented fill and carrying out a primary/secondary drift-and-fill type mining method allowing 100% extraction without leaving any ore pillars.

Ore zones with lower grades will be mined by the room-and-pillar method. This method is selective and zones of low grade can be left as pillars. Stope and pillar dimensions, ground support in development headings, and stopes will depend on orebody geometry and ground condition.

The cut-and-fill method will be used for ore zones dipping between 15° and 50°.

All stopes will be backfilled after mining is completed. Free draining hydraulic backfill was selected as the most appropriate method due to the flat-lying and relatively large horizontal extent of the orebody, coupled with the distant location of the process plant and difficulties with access above the orebody.

This backfilling method will allow up to 45 to 50% of the tailings to be disposed of as hydraulic backfill underground, reducing the required size of the surface tailings pond. Backfill will be prepared from tailings produced in the plant and distributed to the underground stopes by a pipeline through the main access ramp. For primary stope filling in drift-and-fill, 5% cement will be added. Backfill for cut-and-fill, room-and-pillar, and secondary stopes of drift-and-fill mining will not be cemented.

Mine production of 3000 tpd is based on a crew rotation of three 8 hour shifts and over 330 days per year. A mining contractor is assumed for pre-production development as well as ongoing mine development.

Metallurgy

A 3,000 tpd process plant has been designed for the Fuwan Project to process silver, lead and zinc bearing sulphide mineralization. The main value metals in the mineralization are silver, lead, zinc, and gold. The process plant will operate 330 d/a at an annual process rate of 990,000 t/a and three shifts per day. Overall process plant availability will be approximately 90%.

The run-of-mine (ROM) from the underground mine will be crushed by a jaw crusher to 80% passing 150 mm, and then ground to 80% passing 100 µm in a semi-autogenous grinding (SAG)-ball mill-pebble crushing circuit (SABC). The silver, lead, and zinc minerals will be recovered by a conventional differential flotation process.

The tailings produced from the zinc rougher scavenger flotation circuit will be sent to the tailings storage facility (TSF) for storage and to the underground mine for hydraulic backfilling. The produced silver-lead concentrate and zinc concentrate will be thickened and then pressure filtered separately prior to being transported to smelters. Depending on the lead head grade, the silver-lead concentrate may be further processed to produce a silver concentrate and a lead-silver concentrate.

The average dry concentrate production is forecast to be as follows:

- silver-lead concentrate – 15,900 t/a, including:
 - 154,700 kg/a (4,975,000 oz/a) silver
 - 1,600 t/a lead
- zinc concentrate – 9,300 t/a including:
 - 4,700 t/a zinc
 - 15,400 kg/a (495,000 oz/a) silver.

Infrastructure

The Fuwan property is located approximately 45 km southwest of Guangzhou, the capital city of Guangdong province. Access to the property is via the Guangzhou - Zhuhai highway, which passes through Gaoming City. The property is located 2 km via gravel road northwest of the town of Fuwan (population 30,000). The town of Fuwan is well connected by paved highway and expressways to major cities, including Guangzhou (70 km highway distance), Gaoming (15 km), and Jiangmen (60 km). The Fuwan property is also accessible by water on the Xijiang River to major cities like Guangzhou, Zhaoqing and Jiangmen, as well as to international waterways in the South China Sea. Electrical power, water, telephone service, and supplies are available in Fuwan. The proposed minesite is large enough to accommodate tailings and waste disposal areas, and processing plant sites.

Operating Costs

The operating cost estimates are based on a process rate of 990,000 t of ore annually or 3,000 tpd of ore.

Mining	\$18.01/t
Processing	\$ 9.90/t
Tailings	\$ 1.13/t
G&A	\$ 4.78/t
Surface Services	\$ 0.60/t
Total	\$34.42/t

Capital Costs

This estimate has been completed partially by NERIN and partially by Wardrop. The majority of the information used in the estimate is based on the quantities and pricing provided by NERIN to Wardrop.

Area Cost	(US\$ x 1,000)
Direct Works	
A – Mining (Wardrop)	21,637
B – Primary Crushing	660
C – Crushed Ore Stockpile and Reclaim	305
D – Secondary and Tertiary Crushing	52
E – Grinding, Flotation, Dewatering, Reagents & Service	9,140
F – Tailings Disposal Facilities	4,250
G – Plant Site, Infrastructure & Ancillary Facilities	8,627
H – Temporary Services	35
L – Site/Plant Mobile Equipment	1,190
N – Power Lines (Included in G1 – Power Supply)	Included in G1
Direct Works Subtotal	\$45,896
Indirect	
X – Project Indirect	13,330
Y1 – Land Acquisition	2,120
Y1 – Owner's Costs	5,663
Z – Contingency	6,051
Indirect Subtotal	\$27,164
TOTAL PRE-PRODUCTION CAPITAL COSTS (US\$)	\$73,060
Working Capital	\$8,300
Sustaining Capital	\$59,900

Financial Analysis

An economic evaluation of the Fuwan Project was prepared by Wardrop based on a pre-tax financial model. For the 9.2 year mine life and 9.1 Mt reserve, the following pre-tax financial parameters were calculated:

- 33.2% IRR
- 2.3 years payback on \$73.1 M capital
- US\$111.5 M net present value (NPV) at a 6% discount rate.

The base case prices were as follows based on the 3 year historical average metal prices from the London Metal Exchange (LME) as of April 29, 2009:

- Silver – US \$13.57/oz
- Gold – US \$767.72/oz
- Zinc – US \$1.18/lb
- Lead – US \$0.91/lb

No allowance has been made for inflation or escalation.

Sensitivity Analysis

The project economics are sensitive to silver price, Operating costs and Capital expenditures. The sensitivity analysis results are in the table below:

Parameter	Economic Indicator	Change				
		-20%	-10%	Base Case	10%	20%
Silver Price	NPV (\$M)	33	72	112	151	190
	IRR (%)	15	25	33	41	48
Opex	NPV (\$M)	157	134	112	89	66
	IRR (%)	41	37	33	29	24
Capex	NPV (\$M)	126	119	112	105	97
	IRR (%)	42	37	33	30	27

Conference Call

Minco Silver will host a conference call on Wednesday September 30, 2009 at 8:00 AM PST to discuss the Feasibility Study Report.

Toll Free Dial-in Numbers (within US and Canada): 1 866 400 1802

International Dial-in Number: +1 647 427 2437

Conference Code: 8066824422

Qualified Persons

Mr. Christopher N. Zahovskis, P. Eng., Chief Operating Officer for Minco Silver, is the Qualified Person responsible for overall supervision of the Feasibility Study and has reviewed and approved the contents of this news release.

Mr. Dwayne L. Melrose, P. Geo., Vice President Exploration for Minco Silver, is the Qualified Person responsible for verification and quality assurance of the company's exploration data, analytical results and resource statements and has reviewed and approved the contents of this news release.

Mr. Eugene Puritch, P. Eng., President of P&E Mining Consultants Inc. is an independent Qualified Person responsible for the Fuwan resource estimate and has reviewed and approved the contents of this news release

Mr. Jianhui Huang, Ph.D., P. Eng., of Wardrop Engineering Inc. is an independent Qualified Person as defined by NI 43-101. Mr. Huang has reviewed and approved the contents of this news release.

Mr. Byron Stewart, P. Eng., of Wardrop Engineering Inc. is an independent Qualified Person as defined by NI 43-101. Mr. Stewart has reviewed and approved the contents of this news release.

Mr. Scott Cowie, B. Eng., MAusIMM., of Wardrop Engineering Inc. is an independent Qualified Person as defined by NI 43-101. Mr. Cowie has reviewed and approved the contents of this news release.

The NI 43-101 Technical Report for the Feasibility Study Report will be filed on SEDAR within 45 days of the date of this news release.

6. Reliance on Subsection 7.1(2) and (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. **Executive Officer**

Ken Cai, Chairman and Chief Executive Officer.

For further information, please contact Minco Silver at Tel: (604) 688-8002 or Email: info@mincomining.com.

9. **Date of Report**

September 29, 2009