

AURUM MINING PLC
("Aurum" or "the Company")

Update on progress at the Andash gold and copper property

Aurum Mining plc (AIM: AUR), the company formed to acquire gold and other mineral extraction projects in the Former Soviet Union, is pleased to announce to shareholders an update on progress at its Andash gold and copper exploration project in the Kyrgyz Republic. Aurum secured its exploration licence to the Andash property through the acquisition, in January 2005, of Kaldora Company Ltd.

This update includes the results of four new drill holes at the property, which show significant mineralisation, and preliminary results of independent metallurgical analysis. In addition it outlines planned steps in the further development of the property.

Key points

- A programme of technical works carried out at the Andash project since June 2004 has included diamond core drilling and various geophysical techniques. Selected samples of core have been sent to the Wardell Armstrong International (WAI) testing laboratories in the UK for independent metallurgical testing.
- The latest results have given a much greater understanding of the genesis of the deposit and will allow Aurum to analyse core samples obtained for mineralogy, metallurgy, rock strength and grade distribution of gold and copper throughout the economic ore zones in orebody No.1.
- Four diamond drill holes have been successfully completed to target depth for a total of 624m of which 560m contained significant mineralisation, the results of which are summarised below. All the holes showed mineralisation from surface to the base of orebody No.1. Mineralised thickness of this orebody varied from 111m to 175m of continuous gold/copper mineralisation.

Drill hole	From - To	Au g/t	Cu %
TX 1	0 - 111m	0.937	0.466
TX 2	0 - 150m	1.95	0.66
TX 3	0 - 175m	1.52	0.475
TX 4	0 - 124m	0.956	0.465

- The results show correlation between gold and copper through the mineralised zones, but the drilling has also identified much higher grade gold and copper occurrences within the surrounding disseminated zones.

- These data have also shown correlation between high grade gold-copper mineralisation and massive magnetite mineralisation, which is important for targeting orebody extensions as the geophysical surveys have shown numerous magnetic and other geophysical anomalies both close to the main ore zone and elsewhere on the licence area of some 50km².
- An additional three diamond core drill holes are presently being drilled at the site targeting samples for rock strength testing for optimum pit slope design and to confirm the boundary of orebody No.1.
- The electronic drill assay database for orebodies 1, 2 and 3 has been sent to WAI who will carry out independent orebody modelling, ore resource calculations and preliminary open pit designs for economic assessment of the project and to determine additional in-fill drilling requirements for all three deposits by mid 2005.
- WAI has also been commissioned to carry out preliminary metallurgical tests on oxide and sulphide ores from orebody No.1 and results to date show more than 85% recovery of gold to direct cyanidation followed by flotation to recover the copper mineralisation. This testing will lead to the taking of larger samples from the remaining drill core being shipped to WAI to develop the optimum processing path for the Andash ores by mid 2005.
- Andash Mining Company, Aurum's Kyrgyz subsidiary, will be filing shortly with the Kyrgyz authorities to obtain a mining licence categorisation for Andash orebody No.1.
- A preliminary feasibility study for mining and processing of orebody No.1 has been initiated by Aurum using both in-house staff and independent engineering contractors experienced with project development in the Kyrgyz Republic. This exercise will allow Aurum to collect and develop the technical and economic database for handing over to independent consultants to allow a full feasibility study to be carried out by late 2005.

Commenting, John Webster, Aurum Mining's Managing Director, said: "I am delighted by progress at the Andash property and particularly by the consistency and level of mineralisation revealed by the drill holes. We look forward to further advancing the project and to identifying the optimum method for producing gold and copper at Andash."

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