

## **AURUM MINING PLC**

(“Aurum” or “the Company”)

### **Placing to raise £2.5 million**

**Aurum Mining plc** (AIM: AUR), the company formed to acquire gold and other mineral extraction projects in the Former Soviet Union (FSU), announces that 2,777,778 new ordinary shares of 1 pence each in the share capital of the Company (the “Placing Shares”) have been placed by Arbuthnot Securities Limited with institutional investors at a price of 90 pence per share to raise approximately £2.5 million before expenses (the “Placing”). The Placing Shares represent approximately 22.5 per cent. of the enlarged issued share capital of the Company.

The net proceeds of the Placing will be used primarily for working capital purposes in order to complete the engineering design work required to complete the feasibility study and conduct further drilling on exploration zones 2 and 3 at the Company’s Andash Project.

Application has been made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. The Placing Shares will rank *pari passu* with the existing issued ordinary shares of 1 pence each in the share capital of the Company (the “Ordinary Shares”). The Placing is conditional, *inter alia*, on the admission of the Placing Shares to AIM becoming effective (“Admission”), which is expected to occur on 12 May 2006, when dealings in the Placing Shares are expected to commence. Following Admission, the Company will have 12,365,468 Ordinary Shares in issue.

On 31 January 2005, a waiver was granted by the Panel on Takeovers and Mergers from the obligation of the Concert Party (as set out in the admission document sent to shareholders on 13 January 2005) to make an offer to all shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers. This waiver related to the potential allotment of up to 3,100,000 new ordinary shares pursuant to the acquisition of Kaldora Company Limited and options over a further 1,000,000 Ordinary Shares granted to members of that Concert Party as set out in the admission document. As a result of the Placing set out above, the percentage holding of the Concert Party upon Admission will be reduced to 23.25 per cent. and the potential shareholding of the Concert Party as a result of the issue of shares and exercise of options for which the waiver has been obtained would be up to 40.18 per cent.

**Mark Jones, Chief Executive Officer, commented:** “We are delighted with the success of the Placing, which will allow us to complete our feasibility study at Andash. We welcome our new institutional shareholders and thank our existing shareholders for their continued support.”

#### **For further information:**

**Aurum Mining plc**  
Mark Jones, Chief Executive

**Tel: 020 7478 9050**

**Arbuthnot Securities**  
Graham Swindells

**Tel: 020 7012 2000**

**Buchanan Communications**  
Mark Court

**Tel: 020 7466 5000**

## **Notes to editors**

Aurum Mining joined the AIM market of the London Stock Exchange in May 2004 with the strategy of seeking, evaluating and acquiring gold and other mineral extraction projects in the Former Soviet Union (FSU). In January 2005 the Company completed its first acquisition, giving the Company an exploration licence over the Andash gold and copper project in the Kyrgyz Republic. In its State Register, the State Commission of Resources of the Kyrgyz Republic has included 21.7 million tonnes of C1 and C2 reserves from the project, amounting to gold and gold equivalent of more than 1.5 million ozs.

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