

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

6 April 2011

Placing and Notice of General Meeting

Aurum (AIM: AUR) is pleased to announce the placing by its broker, Fairfax I.S. PLC of 66,666,667 new Ordinary Shares in the Company at a price of 3 pence per share raising £2.0 million (before commissions and expenses).

The Placing is subject to shareholder approval and Admission. A circular containing further details of the Placing and the Notice of General Meeting, to be held on 26 April 2011 at 12.00 noon at the offices of Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU, shall be posted to shareholders today. These documents shall also be available on the Company's website, www.aurummining.net shortly.

Further details of the Placing are set out below.

Sean Finlay, Chairman of Aurum, commented:

"Aurum is delighted to announce that it has conditionally secured the funding to ensure it can continue through the next phase of its transformation. The fundraising has been well received and we are looking forward to welcoming the new investors to the Company's share register."

Contact details:

Aurum Mining plc
Chris Eadie, Chief Executive Officer

Tel: 020 7499 4000

Fairfax I.S. PLC
Ewan Leggat / Laura Littley

Tel: 020 7598 5368

1. Introduction

The Company announces today that it has conditionally raised £2.0 million (before expenses) by way of a placing of 66,666,667 new Ordinary Shares at a placing price of 3 pence per Placing Share. The net proceeds of the Placing will be used as described in paragraph 3 below.

The Placing is conditional on the Directors obtaining approval from the Shareholders to issue securities for cash and consequently, the Company is now seeking shareholder authority to grant the Directors the authority to allot the Placing Shares and to disapply the statutory pre-emption rights under the 2006 Act by way of a shareholder resolution in relation to the Placing. The Placing, which has been arranged by Fairfax with institutional and other investors pursuant to the terms of the Placing Agreement, is also conditional upon Admission.

The Circular explains why the Company is seeking to increase its authorities and provides Shareholders with information to enable them to exercise their vote on the

Resolutions at the forthcoming General Meeting to be held on 26 April 2011 at 12.00 noon at the offices of Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU. The Notice of General Meeting is set out in the Circular.

2. Background to and reasons for the Placing

The Directors' current strategy is in line with the Company's investing policy that was approved by Shareholders in November 2009, namely that, the Company is looking to take advantage and exploit some of the convincing mining opportunities currently available in the market. The Board will be working closely with the Company's Shareholders and advisers to achieve this objective and the funds being raised will be critical for executing this strategy. The proceeds of the fundraising will not only strengthen the balance sheet, but will be used to ensure the Company can sufficiently progress appropriate transactions.

In its current structure, the Board feels the Company has very strong potential for growth. The existing Board has significant experience in identifying natural resource opportunities, raising funds and completing transactions and feels that the Company is an excellent vehicle for delivering the stated strategy.

In addition to the proven management team, the Company has supportive new major shareholders and this, combined with the appointment of a new broker, is expected to give significant new impetus.

The recent joint venture agreement with Ormonde Mining plc, which was announced on 14 March 2011, marked a key first step in the transformation of the Company and has given Shareholders the potential to earn a controlling interest in some attractive gold prospect areas in North West Spain.

The Directors believe that all of the above factors indicate an exciting future for the Company, and the key next step is to complete a fundraising that will enable the Company to grow in line with its stated strategy.

The Board is currently looking at a number of exciting potential opportunities and has set itself the target of completing a substantial transaction by the end of the 2011 calendar year. The key criteria in the assessment of projects will be the ability for the Company to be able to raise funds for their development and their individual potential to deliver strong shareholder returns.

The Company currently has gross cash of approximately £750,000. However Euros500,000 of this has been committed by the Board to the joint venture with Ormonde Mining plc.

3. The Placing and use of the proceeds

As noted above, the Company has announced that it has conditionally raised £2.0 million (before expenses) by way of a placing of 66,666,667 new Ordinary Shares at a placing price of 3 pence per Placing Share. The Directors intend that the new funds available to the Company will enable it to identify appropriate acquisition targets and to complete a transaction in line with its strategy.

4. Directors' authorities to issue securities and disapply pre-emption rights

The Company currently does not have sufficient authority in place under sections 551 or 570 of the 2006 Act to undertake the Placing. Therefore, the Directors are seeking a specific authority under section 551 of the 2006 Act and a specific disapplication of statutory pre-emption rights under 561 of the 2006 Act each in connection with the issue of up to 66,666,667 Placing Shares. Such authorities are being sought specifically in relation to the Placing and the general authorities taken at the Company's annual general meeting in September 2010 will remain in place.

5. Details of the Proposed Placing

The Company is proposing to raise £2.0 million, before expenses, by way of a conditional placing of 66,666,667 Placing Shares at the Placing Price, by Fairfax as agent for the Company. The Placing Shares will represent approximately 56.42 per cent. of the enlarged issued share capital of the Company at Admission. The Placing Shares will, when issued rank pari passu in all respects with the other Ordinary Shares then in issue, including all rights to all dividends and other distributions declared, made or paid following Admission. The Placing Shares have been conditionally placed by Fairfax as agent of the Company with institutional and other investors including the Directors. Pursuant to their participation in the Placing, the Directors' beneficial shareholdings in the Company immediately following Admission will be as follows:

Name	Existing shareholding	Number of Ordinary Shares conditionally subscribed for in the Placing	Resultant shareholding on Admission	% of the issued share capital of the Company on Admission
Christopher Eadie	500,000	333,334*	833,334	0.71
Sean Finlay	332,721	333,334	666,055	0.56
Haresh Kanabar	175,000	333,334	508,334	0.43
Mark Jones	2,413,612	333,334	2,746,946	2.32

*Please note that these Ordinary Shares have been subscribed for by Mr Eadie's spouse.

The Placing Agreement is conditional upon, inter alia, the passing of the resolutions and Admission occurring on or before 27 April 2011 (or such later date as Fairfax may agree, not being later 13 May 2011).

The Placing Agreement contains warranties from the Company in favour of Fairfax in relation to, inter alia, the Company and its business. In addition, the Company has agreed to indemnify Fairfax in relation to certain liabilities it may incur in undertaking the Placing. Fairfax has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, it may terminate in the event that there has been a material breach of any of the warranties or for force majeure.

Application will be made for the Placing Shares to be admitted to trading on AIM and it is expected that trading in the Placing Shares will commence on 27 April 2011.

PLACING STATISTICS

Placing Price	3 pence
Number of existing Ordinary Shares	51,493,275
Number of Placing Shares being placed on behalf of the Company	66,666,667
Estimated proceeds receivable by the Company, excluding expenses	£2.0 million
Number of Ordinary Shares in issue following Admission	118,159,942
Number of Placing Shares as a percentage of the enlarged issued ordinary share capital following Admission	56.42%

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2011
Latest time and date for receipt of Forms of Proxy	by 12.00 noon on 20 April
General Meeting	12.00 noon on 26 April
Admission and dealings in the Placing Shares expected to commence	8.00 a.m. on 27 April
Expected date for CREST stock accounts to be credited for Placing Shares in Uncertificated form	27 April
Posting of share certificates for Placing Shares (where applicable)	3 May

DEFINITIONS

The following definitions apply throughout this announcement, unless the context requires otherwise.

“2006 Act”	the Companies Act 2006
“Admission”	admission of the Placing Shares to trading on AIM in accordance with the AIM Rules.
“AIM”	the market of that name operated by London Stock Exchange plc
“AIM Rules”	the AIM Rules for Companies, which sets

	out the rules and responsibilities for companies listed on AIM, as amended from time to time
“Board” or “Directors”	the board of directors of the Company whose names are set out on page 5 of the Circular
“Circular”	the document to be posted to shareholders containing details of the Placing and Notice of General Meeting dated 6 April 2011
“Company”	Aurum Mining Plc, a public limited company incorporated in England & Wales under company number 5059457 with its registered office at 22 Great James Street, London WC1N 3ES
“CREST”	the computer-based system established under the Regulations which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations)
“Fairfax”	Fairfax I.S. PLC a public limited company incorporated in England & Wales under company number 5496355 with its registered office at 7 Queen Street, Mayfair, London W1J 5PB
“Form of Proxy”	the form of proxy for use by Shareholders in relation to the General Meeting as sent to Shareholders along with the Circular
“General Meeting”	the general meeting of the Company convened for 12.00 noon on 26 April 2011 by the Notice of General Meeting
“Notice of General Meeting”	the notice of General Meeting, set out in the Circular (and any adjournment thereof)
“Ordinary Shares”	ordinary shares of 1 pence each in the capital of the Company
“Placing”	the proposed placing by the Company of

	new Ordinary Shares
“Placing Agreement”	the conditional agreement dated 6 April 2011 relating to the Placing, between the Company and Fairfax
“Placing Price”	3 pence per new Ordinary Share
“Placing Shares”	the 66,666,667 new Ordinary Shares to be issued pursuant to the Placing
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“Resolutions”	the resolutions set out in the Notice of General Meeting
“Shareholders”	holders of Ordinary Shares