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FOR IMMEDIATE RELEASE

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

Settlement reached in the Civil Case

Aurum Mining plc (AIM: AUR) is giving an update to the market following the restoration of its securities on AIM on 19 August 2008.

The Aurum Board is pleased to report that it has now reached a settlement with Marsa AG, the plaintiff in the civil case in which the Company's wholly owned subsidiaries Andash Mining Company and Kaldora Company Limited were named as co-defendants.

There will now be a hearing in the Bishkek City Court on 25 August 2008 at which time the Board fully expects the civil case to be closed by the judge with a formal judgement in favour of Aurum's subsidiaries expected shortly thereafter. A favourable judgement will also lead to the lifting of the financial injunction currently in place against Andash Mining Company.

In order to prevent Marsa AG, from appealing against the decision of the Bishkek City Court and from bringing claims in other jurisdictions, Aurum has agreed to acquire Marsa AG as part of the settlement. By acquiring Marsa AG, Aurum will neutralise the disputed underlying cause of action and the challenge of Aurum's entitlement to the Andash asset. It is anticipated that the completion date for the acquisition of Marsa AG will be 31 October 2008.

With the lifting of the financial injunction, Aurum will be able to focus solely on bringing the Andash asset into production. While the original target of bringing the Andash Zone 1 mine into production by the end of this year will not now be met as a result of the litigation, the project plan is currently being reworked to determine the revised costs and timings of the project. The Company will give guidance on these in its preliminary results announcement in September 2008.

During the course of the summer the Company's technical team have been working on a new process opportunity that, if approved, will significantly reduce the CAPEX and on-going operating costs of the Zone 1 mine. Aurum currently has cash balances, post the acquisition of Marsa AG, of approximately £19.5 million. The Company also has tangible assets, which the directors believe have a current realisable value of approximately £5 million.

Since the commencement of the court proceedings, the technical design of the Zone 1 mine has been approved by the Kyrgyz authorities. As a direct result of this, and as soon as the financial injunction has been lifted, the Company has been informed that the Zone 1 mining licence agreement will now be extended by the State Agency of Geology in accordance with the existing licence conditions.

The events of the past six months have highlighted the risks of being a single project company in Kyrgyzstan. As a result the Board is currently looking at a number of new initiatives as to how these risks can be best mitigated.

Mark Jones, Aurum's Chief Executive, commented: "I am delighted that our shares have resumed trading on AIM.

Our balance sheet remains strong and, during the course of the civil case, we have made significant progress in some key aspects of the Andash Zone 1 mine, including the approval of the technical design by the Kyrgyz authorities. We look forward to providing further details of our updated path to production in our preliminary results next month."

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