

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

Pre-close Update

Aurum Mining plc (AIM: AUR), the gold-mining company focussed on the Former Soviet Union (FSU), is pleased to announce an update on progress at the Company's gold and copper asset in the Kyrgyz Republic, ahead of the announcement of its preliminary results for the year ended 31 March 2006.

Significant progress has been made in the preparatory work for the construction of the open-cast mine at Zone 1 of the Andash licence area. The detailed design work, to meet the requirements of the Company's Mining Licence and to enable the start of the physical construction of the mine, is progressing well. Preparation for the construction of the access road to the mine is moving ahead, with roadbuilding equipment and contractors having already been sourced. In addition, the Company is finalising the sourcing of the ball mills for grinding ore when Zone 1 enters production, which remains on track to begin in the second half of next year.

The Company's balance sheet remains strong, with £28.3 million of net cash at the year end. As the current year progresses, the Company is incurring some expenditure based on requirements and taking into account the lead times involved in sourcing heavy equipment and plant. As recently announced, the Company has successfully identified significant savings in the forecast capital expenditure at the mine, with capital expenditure expected to be in the region of \$48.5 million, compared with the Bankable Feasibility Study estimate of \$55.5 million.

It is expected that Aurum's preliminary results will be announced in September 2007.

Mark Jones, Aurum Mining's Chief Executive, said: "The Kyrgyz Republic remains a demanding environment in which to operate in view of which we are pleased with the progress we have made to date at Andash. We look forward to the start of production in the second half of next year and to Aurum making the transition from an exploration company to a gold producer."

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Notes to editors

Aurum Mining, which joined the AIM market of the London Stock Exchange in May 2004, is a mining company focussed on gold opportunities in the Former Soviet Union. Its principal asset is an exploration licence over the Andash gold and copper project in the Kyrgyz Republic. A mining licence for Andash Zone 1 was awarded by the Kyrgyz authorities in 2006. The bankable feasibility study compiled by Wardell Armstrong International, also in 2006, confirmed a measured and indicated resource base of 19.2 million tonnes at 1.1 grams per tonne of gold and 0.4% copper, which equates to 1.1 million ozs of gold and gold equivalent. Initial production at Andash Zone 1 is expected in 2008. The Andash project also includes Zone 2 and Zone 3 along with Tokhtonysay, Nakhodka and three other additional exploration areas.