

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

Interim Results for the six months ended 30 September 2011

Aurum Mining plc (AIM: AUR) is pleased to announce its interim results for the six months ended 30 September 2011.

The period under review has been one of considerable progress and achievement for the Company and in addition to continuing to develop the Company's exciting gold assets in Spain, the Board is also hopeful of completing further transactions in the coming months that will enable the Company to deliver on its strategic objectives of transforming Aurum into an integrated mining Company and delivering strong returns to Shareholders.

Review of activities

Since the time of its last strategic update to the market in June 2011, the Company has made substantial progress in continuing to deliver on its strategy of transforming itself from an investment company (pursuant to the AIM rules for Companies) into a fully integrated mining company.

Over the last twelve months, the Board has undertaken a series of discrete activities and each of these has contributed to creating a Company that is now positioned to deliver strong returns to Shareholders in the future. These activities include completing the Company's withdrawal from the Kyrgyz Republic, restructuring the Board and reducing the cost base, strengthening the balance sheet through an equity fundraising, bringing on board a new adviser team, creating a strong and supportive Shareholder base, and most importantly, completing the first transaction that will drive the future of the Company. The Board remains very optimistic about the future prospects of the Company and feels the Company is now ideally positioned as a springboard for future growth.

The next steps for the Company are to continue to develop and progress the existing gold projects in Spain and to look to complete on other complementary transactions that will ensure the long term future of the Company and create Shareholder value.

Spanish gold assets

In March 2011, the Company announced that it had entered into a joint venture with Ormonde Mining plc ("Ormonde") under which Aurum partners with Ormonde in gold exploration over four permit areas in western Spain. Under the terms of the joint venture Aurum has committed to expend Euros 500,000 on exploration work over an eighteen month period across the four permit areas in return for a 60% in the Zamora Province and a 54% interest in the Salamanca province permit areas.

Following an initial drilling campaign over the Summer, the Board was delighted to announce some excellent assay results from the first two holes drilled by the joint venture on the "El Facho" structure of the Zamora gold project. Highlights from these first two holes included a high grade intersection of 12 metres grading 3.4 grammes per tonne ("g/t") gold within an overall interval of 30 metres grading 1.6g/t gold from the first hole and a 10 metre intersection grading 2.1g/t gold and a 5 metre intersection grading 1.9 g/t gold from the second hole.

It is the view of both Aurums's and Ormonde's management that these assay results provide further strong evidence of a potentially significant near surface gold structure at the El Facho prospect. Indeed of the nine holes drilled by Ormonde at El Facho to date, including the first two

holes drilled by the joint venture with Aurum, eight have encountered gold mineralization grading in excess of 1 g/t across multiple intersections.

As a priority, further exploration is being carried out on the El Facho structure and a new drilling programme is already underway. The drill targets have been selected through both the analysis of historical drilling data and the results of the recent geophysical work carried out. It is currently envisaged that it will be a nine hole drilling programme that will equate to approximately 2,000 metres of drilling and it is currently hoped that all assay results from this drilling programme will be available by the end of the first quarter of the 2012 calendar year, though initial results should be available sooner.

A short hole drill programme will also be commencing at the highly prospective Peralonso permit area in the Salamanca Province where previous trenching returned some interesting results including an interval of 5 metres grading 5.4g/t gold. It is expected that three initial holes will be drilled at Peralonso and it is intended that drilling will begin as soon as approvals have been received from the provincial administration.

In addition to the two initial holes drilled by the joint venture at El Facho, a third hole was drilled into the "Llago" structure on the adjacent permit area to where the El Facho structure is located. Despite widely held positive views on the potential prospectivity of the Llago structure, with a previous hole drilled by Ormonde returning 3 metres grading 4.3 g/t gold, no mineralization was encountered in this hole. As a result of this, the next phase of the drilling campaign at the two permit areas in the Zamora province will be focused solely on the El Facho structure, while further technical analysis will be undertaken to try and understand the Llago structure better before further drilling is carried out there.

Aurum has now fulfilled the terms of its initial commitments under the joint venture agreement by transferring Euros 200,000 for exploration work in the first nine months to the joint venture. Aurum will now be progressing towards spending an additional Euros 300,000 over the period to 14 September 2012 to earn its majority interest in the four permits which are the subject of the joint venture with Ormonde.

The Board would like to thank the management and staff of Ormonde for their continued efforts in respect of the joint venture which is operating in an extremely efficient and professional way.

Kerr Anderson PhD EurGeolPGeo, Managing Director of Ormonde Mining plc, and a qualified person as defined in the Guidance Note for Mining, Oil and Gas Companies, June 2009, of the London Stock Exchange, has reviewed and approved the technical information contained in this statement.

Key financials

For the six months to 30 September 2011, the Group reports a loss of \$1.1m.

In addition to the underlying cashburn of the Company, the main reason for the scale of the loss was the fact that Company incurred \$456k expenditure on a potential reverse takeover transaction that was subsequently aborted. The reported loss also includes a one-off 'non cash' charge of \$182k relating to the employee share options issued in April 2011.

In April 2011, the Board announced that it had successfully raised £2m (before expenses) by way of an equity issue to strengthen the Company's balance sheet and give the Company sufficient funds to appraise projects and to complete transactions.

At the end of October 2011, the Company had gross cash of approximately £2m.

Summary

The Board is looking to the future with a high degree of anticipation and optimism.

In addition to continuing to develop the Company's existing Spanish gold assets, the Board is also hopeful of completing further transactions in the coming months that will enable the Company to deliver on its strategic objectives of transforming Aurum into an integrated mining Company and delivering strong returns to Shareholders.

Sean Finlay
Chairman

Chris Eadie
Chief Executive Officer

5 December 2011

Aurum Mining Plc

Condensed consolidated income statement

For the six months ended 30 September 2011

	Notes	Six months to 30 September 2011 \$'000 Unaudited	Six months to 30 September 2010 \$'000 Unaudited	Year ended 31 March 2011 \$'000 Audited
Impairment of available for sale investment		-	(1,250)	(1,250)
Aborted transaction costs		(456)	-	-
Other administrative expenses		(635)	(1,332)	(1,910)
Administrative expenses		(1,091)	(2,582)	(3,160)
Operating loss		(1,091)	(2,582)	(3,160)
Finance income		4	20	26
Finance expenses		-	(258)	(285)
Loss for the period before taxation		(1,087)	(2,820)	(3,419)
Taxation		-	-	-
Loss for the period attributable to equity shareholders of the parent company		(1,087)	(2,820)	(3,419)
Loss per share expressed in US cents per share				
Basic and Diluted	3	(1.00)c	(5.85)c	(7.09)c

Aurum Mining Plc

Condensed consolidated statement of comprehensive income

For the six months ended 30 September 2011

	Six months to 30 September 2011 \$'000 Unaudited	Six months to 30 September 2010 \$'000 Unaudited	Year ended 31 March 2010 \$'000 Audited
Loss after taxation for the period	(1,087)	(2,820)	(3,419)
Other comprehensive income: Exchange differences on translating foreign operations	(157)	552	572
Other comprehensive income for the period	(157)	552	572
Total comprehensive expense for the period attributable to the equity shareholders of the parent company	(1,244)	(2,268)	(2,847)

Aurum Mining Plc

Condensed consolidated statement of financial position

As at 30 September 2011

Company No : 5059457	30 September 2011 \$'000 Unaudited	30 September 2010 \$'000 Unaudited	31 March 2011 \$'000 Audited
Notes			
Assets			
Non-current assets			
Intangible assets	283	-	-
Property, plant and equipment	2	7	4
Total non-current assets	285	7	4
Current assets			
Receivables	63	218	98
Cash and cash equivalents	3,196	13,398	1,173
Total current assets	3,259	13,616	1,271
Total assets	3,544	13,623	1,275
Liabilities			
Current liabilities			
Trade and other payables	330	253	180
Total current liabilities	330	253	180
Total liabilities	330	253	180
Total net assets	3,214	13,370	1,095

Capital and reserves attributable to the equity holders of the company

Share capital	2,070	924	973
Share premium reserve	31,311	40,696	29,227
Merger reserve	5,816	5,816	5,816
Presentational currency translation reserve	(13,080)	(12,943)	(12,923)
Warrant reserve	-	276	-
Retained earnings	(22,903)	(21,399)	(21,998)
Total equity	3,214	13,370	1,095

The Interim financial statements were approved and authorised for issue by the Board of Directors on 5 December 2011 and were signed on its behalf by:

Chris Eadie
Chief Executive Officer

Aurum Mining plc

Condensed consolidated statement of changes in equity

For the six months ended 30 September 2011

Unaudited	Share capital \$'000	Share premium reserve \$'000	Merger reserve \$'000	Presentational currency translation reserve \$'000	Warrant reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 April 2011	973	29,227	5,816	(12,923)	-	(21,998)	1,095
Total comprehensive Expense for the period	-	-	-	(157)	-	(1,087)	(1,244)
Issue of shares	1,097	2,084	-	-	-	-	3,181
Share based payments	-	-	-	-	-	182	182
At 30 September 2011	<u>2,070</u>	<u>31,311</u>	<u>5,816</u>	<u>(13,080)</u>	<u>-</u>	<u>(22,903)</u>	<u>3,214</u>

For the six months ended 30 September 2010

Unaudited	Share capital \$'000	Share premium reserve \$'000	Merger reserve \$'000	Presentational currency translation reserve \$'000	Warrant reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 April 2010	921	40,609	5,816	(13,495)	350	(18,579)	15,622
Total comprehensive Expense for the period	-	-	-	552	-	(2,820)	(2,268)
Conversion of warrants	3	87	-	-	(74)	-	16
At 30 September 2010	<u>924</u>	<u>40,696</u>	<u>5,816</u>	<u>(12,943)</u>	<u>276</u>	<u>(21,399)</u>	<u>13,370</u>

Aurum Mining plc

Condensed consolidated statement of changes in equity

For the year ended 31 March 2011

Unaudited	Share capital \$'000	Share premium reserve \$'000	Merger reserve \$'000	Presentational currency translation reserve \$'000	Warrant reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 April 2010	921	40,609	5,816	(13,495)	350	(18,579)	15,622
Total comprehensive Expense for the period	-	-	-	572	-	(3,419)	(2,847)
Conversion of warrants	13	414	-	-	(350)	-	77
Exercise of share options	39	320	-	-	-	-	359
Issue of B shares	12,116	(12,116)	-	-	-	-	-
Capital repayment to Shareholders	(12,116)	-	-	-	-	-	(12,116)
At 31 March 2011	<u>973</u>	<u>29,227</u>	<u>5,816</u>	<u>(12,923)</u>	<u>-</u>	<u>(21,998)</u>	<u>1,095</u>

The following describes the nature and purpose of each reserve within owners' equity.

Reserve	Description and purpose
Share premium	Amounts subscribed for share capital in excess of nominal value.
Merger reserve	Merger relief reserve for amount in excess of nominal value on issue of shares in relation to business combinations.
Warrant reserve	Fair value of the warrants issued as part of compound financial instruments.
Presentational currency translation reserve	Gains/losses arising on retranslating the net assets of Group operations into US Dollars.
Retained earnings	Cumulative net gains and losses recognised in the income statement less distributions made.

Aurum Mining plc

Condensed consolidated cash flow statement

For the six months ended 30 September 2011

	Six months to 30 September 2011 \$'000 Unaudited	Six months to 30 September 2010 \$'000 Unaudited	Year ended 31 March 2010 \$'000 Audited
Cash flow from operating activities			
Loss for the period before tax	(1,087)	(2,820)	(3,419)
Adjustments for:			
Depreciation of property, plant and equipment	2	4	7
Finance income	(4)	(20)	(26)
Finance expense	-	258	285
Impairment of available for sale investment	-	1,250	1,250
Share-based payments	182	-	-
Foreign exchange differences	-	(258)	-
Cash flow from operating activities before changes in working capital	(907)	(1,586)	(1,903)
Decrease / (increase) in trade and other receivables	35	62	182
(Decrease) / increase in trade and other payables	150	(250)	(323)
Net cash flow from operating activities	(722)	(1,774)	(2,044)
Investing activities			
Interest income	4	20	26
Net cash flow from investing activities	4	20	26
Financing activities			
Purchase of intangible assets	(283)	-	-
Capital repayment to shareholders	-	-	(12,116)
Proceeds from conversion of warrants	-	-	77
Proceeds from issue of ordinary shares	3,181	16	359
Net cash flow from financing activities	2,898	16	(11,680)
Net increase / (decrease) in cash and cash equivalents	2,180	(1,738)	(13,698)
Cash and cash equivalents at the beginning of the period	1,173	14,584	14,584
Effect of exchange rate changes on cash and cash equivalents	(157)	552	287
Cash and cash equivalents at the end of the period	3,196	13,398	1,173

Aurum Mining Plc

Notes to the condensed consolidated interim financial statements

For the half year ended 30 September 2011

1. Basis of preparation

The financial information set out in this report is based on the consolidated financial statements of Aurum Mining plc and its subsidiary companies (together referred to as the 'Group'). The accounts of the Group for the six months ended 30 September 2011, which are unaudited, were approved by the Board on 5 December 2011. The financial information contained in this interim report does not constitute statutory accounts as defined by s435 of the Companies Act 2006.

These accounts have been prepared in accordance with the accounting policies set out in the Report and Financial Statements of Aurum Mining plc for the year ended 31 March 2011. The statutory accounts for the year ended 31 March 2011 have been filed with the registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or 498 (3) of the Companies Act 2006. These accounts have not been audited by the Company's auditors.

The Group financial statements are presented in United States Dollars and all values are rounded to the nearest thousand Dollars (\$'000) except when otherwise indicated.

Based upon cash flow projections the Directors are of the view that the Group has sufficient cash to fund overheads for the next 12 months.

2. Changes in accounting policies

There were no changes in accounting policies during the six months ended 30 September 2011.

3. Loss per share

Basic loss per share is calculated by dividing the loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted loss per share, the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

As at 30 September 2011 there were 3,950,000 (30 September 2010: 3,135,000, 31 March 2011: nil) potentially dilutive ordinary shares. Dilutive potential ordinary shares include share options and warrants.

The effect of all potential ordinary shares arising from the exercise of options and warrants is anti-dilutive and therefore diluted loss per share has not been calculated.

Six months to 30 September 2011	Six months to 30 September 2010	Year ended 31 March 2011
\$'000	\$'000	\$'000
Unaudited	Unaudited	Audited

Net loss attributable to equity holders of the parent Company	(1,087)	(2,820)	(3,419)
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	Six months to 30 September 2011 Unaudited	Six months to 30 September 2010 Unaudited	Year ended 31 March 2011 Audited
Weighted average number of shares:			
Basic Loss per Share	109,002,433	48,219,044	48,253,934
Effect of dilutive share options and warrants	-	-	-
Diluted Loss per share	109,002,433	48,219,044	48,253,934

4. Post balance sheet events

Details of significant post balance sheet events are included within the Review of activities.