

23 October 2009

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

Result of AGM and posting of Circular to Shareholders

Aurum Mining plc (AIM: AUR) is pleased to announce that at its Annual General Meeting held earlier today, all resolutions were duly passed.

The Company also announces that, following the exercise by Kentor Gold Limited (Kentor) of its options to acquire the Company's stake in the Andash project in Kyrgyzstan including the ancillary mining fleet as announced on 19 October 2009, it has today entered into a conditional disposal agreement with Kentor relating to the disposal of its subsidiary Kaldora Company Limited ("Kaldora") which holds the Company's stake in the Andash project ("the Disposal").

The Disposal would constitute a fundamental change in business (as defined by Rule 15 of the AIM Rules) and is therefore subject to approval by Aurum's Shareholders. Accordingly the Company will also be sending a circular to Shareholders later today containing full details of the Disposal together with a notice of General Meeting, to be held at 11.00 a.m. on 12 November 2009, at which a resolution seeking Shareholder approval of the Disposal will be sought ("Disposal Resolution").

Assuming that the Company does not complete a deal prior to completion of the Disposal, the Company's only significant assets would then comprise its cash balances (including the proceeds of the disposal) and the continuing 10 per cent. interest it will have in the Andash project. Accordingly, for the purposes of the AIM Rules, the Company would be deemed to be an investing company (as defined by the AIM Rules) and would therefore upon completion be required to adopt an investing policy. A further resolution will therefore be proposed at the General Meeting seeking Shareholder approval of such policy which is set out in the circular to Shareholders.

A copy of the circular and notice of General Meeting will be available later today on the Company's website, www.aurummining.net

For further information:

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Notes:

Kentor Gold Limited (ASX Code: KGL) is an Australian-based company formed in 1998 as a specialist gold explorer. Kentor was listed on the Australian Securities Exchange in March 2005 and has diversified into exploration for gold, geothermal energy and base metals in Central Asia.

Gross proceeds from the Disposal (which exclude tax and transaction fees but include the US\$1.25 million cost to the Company reacquiring a 10 per cent. stake in the Andash project), will be US\$13.6 million. The consideration payable to the Company upon completion for the shares in Kaldora is US\$1.5 million (of which US\$150,000 has already been paid by Kentor). Upon completion, Kentor has also agreed to procure the repayment to Aurum of US\$13.5 million of outstanding inter-company loans. The benefit of all remaining inter-company debt will be assigned by the Company to Kentor. The Disposal agreement contains certain warranties and indemnities given by the Company in respect of Kaldora and Andash Mining Company ("AMC").

The Disposal agreement is conditional upon, *inter alia*, the passing of the Disposal Resolution at the General Meeting as well as the approval of the Disposal by Kentor's shareholders if so required by the Australian Stock Exchange. It is anticipated completion of the Disposal will occur on or around 22 December 2009.

If the Disposal Resolution is not passed and the Disposal does not proceed, the Company will be required to repay the \$400,000 received to date pursuant to the original option agreement by Aurum from Kentor, together with up to a further \$100,000 in relation to Kentor's costs.

As previously announced in February 2009 and in accordance with the terms of its memorandum of understanding with representatives of the Kyrgyz government, the Company transferred 20 per cent. of its stake in AMC to Investcenter Tallas LLC ("ITL"), a local trust company established for the benefit of the inhabitants of the Talas region. The Company's wholly owned subsidiary, Tryden International Ltd ("Tryden"), has entered into an option agreement with ITL to re-acquire a 10 per cent. interest in AMC upon completion of the Disposal. The option agreement with ITL, which is conditional upon completion of the Disposal, provides that Tryden will pay \$1.25 million to ITL to acquire a 10 per cent. interest in AMC.

The Company currently has net cash balances of approximately £1.4 million (after taking into account all outstanding costs and liabilities including the professional fees and associated costs of the Disposal). Excluding the proceeds of the Disposal, the Company forecasts that it will have net cash of approximately £1.1 million at the end of the 2009 calendar year.

Upon completion of the Disposal (and once the acquisition of the 10 per cent. minority stake in AMC from ITL has taken place) the Company will have net proceeds from the Disposal of \$13.6 million (approximately £8.2 million). In addition to the existing cash balances, the Company therefore expects to have net cash balances of approximately £9.3 million at the end of the 2009 calendar year. The Company will, however, be setting up a cash provision of £3.0 million to safeguard the Company against any potential future claims or liabilities that may arise as a result from either the warranties or indemnities given by Aurum in relation to the transaction itself or from Aurum's historical ownership of the Andash asset. This provision will be gradually 'released' into operating cash as each of the specific potential risks and liabilities are mitigated. Free cash on completion of the Disposal and the acquisition of the 10 per cent. minority stake in AMC from ITL is therefore estimated to be in the region of £6.3 million. If the Disposal is not approved by Shareholders and does not therefore complete, the Company forecasts it will have net cash balances of approximately £0.8 million at the end of the 2009 calendar year.

In line with the Company's stated strategy of making investments in mining projects, the funds that Aurum receives from the Disposal will be used to give the Company leverage to take advantage of some of the very exciting opportunities that currently exist in the market. The Directors believe that

the funds will enable the Company to obtain terms on such transactions that are beneficial to all Shareholders.