

14th January 2009

Production Update

Hambledon Mining Plc (“Hambledon” or the “Company”), the AIM listed gold mining group operating the Sekisovskoye mine in Kazakhstan, is pleased to report the following for the three months ended 31 December 2008

Financial

TOO Altai Ken-Bayitu, an operating subsidiary of Hambledon, has completed a one-year working capital revolving credit facility with Alfa Bank for 360 million tenge (approx. US\$3m). A first tranche of approximately US\$0.5m has already been drawn, principally to meet the annual payment of historic costs to the Kazakh Government. The balance will be available when the pledged security has been registered with the Kazakh Government but it is not currently foreseen that further drawdowns will be required. Three-month tranches will bear interest at 16.4% per annum.

TOO Altai Ken-Bayitu is expecting to receive a further VAT refund payment of approximately US\$0.5m by the end of this month.

Production

	October	November	December	Total
Milled tonnage (dry tonnes)	53,179	31,992	46,397	131,568
Head grade (gm/t)	1.26	1.45	1.58	1.42
Contained gold (gm)	67,010	46,388	73,310	186,708
Contained gold (oz)	2,154	1,491	2,357	6,003
Gold recovery %	76.9%	75.3%	76.0%	76.1%
Recovered gold (oz)	1,657	1,123	1,791	4,570
Recovered silver (oz)	3,315	2,171	4,083	9,569

Comment:

Production during the quarter was still being affected by various problems. Mostly, these concerned the crushing circuit, resulting in reduced output and oversized product which in turn restricted the performance of the ball-mills. Severe weather and a simultaneous breakdown of the two loaders also affected throughput.

A new cone crusher, which is expected to resolve the lack of crushing capacity, was long delayed, having been held up at the border in China. It is now in Ust Kamenogorsk and is expected to arrive at the mine site shortly. It will be installed later in January or early February after the scheduled reline of the primary ball mill, so that a stockpile of crushed ore can be accumulated beforehand. Altogether, around one week of mill production will be lost. Thereafter, we expect the crusher to operate above design capacity and to produce ore at the planned 12mm size, enabling the ball mills also to operate at above their design capacity and to produce a finer grind, thus

improving recovery. We therefore believe that the first quarter of 2009 will show a significant improvement in mine production levels.

The ordering of equipment for underground operations continues to be deferred pending the build up of a reasonable cash reserve.

Enquiries:

Hambledon Mining plc

Charles Zorab

+44 (0)20 7233 1462

Fairfax I.S. PLC

Ewan Leggat / Laura Littley

+44 (0)20 7598 5368