

## HAMBLEDON MINING PLC

("Hambledon")

### Grant of Exploration and Mining Rights

Hambledon's wholly owned subsidiary TOO Sekisovskoye ("the Company") has been notified that it has won the tender for the exploration and mining rights to the area known as Tserkovka and surrounding territory, amounting to some 29 square kilometres. The Company is now required to enter into a Subsoil Use Contract based on the tendered terms, which includes a commitment to spend US \$335,000 on exploration over the first three years.

The territory is immediately adjacent to the Company's existing deposit, Sekisovskoye, and contains four known mineralised deposits named Tserkovka, Feodulikha, and two areas designated only as Area 4 and Area 5. All these areas are ostensibly similar to the Sekisovskoye deposit, indicating that any ore from them is likely to be free-milling and treatable in the same plant as Sekisovskoye. Each of the deposits lies close to the main road between Ust Kamenogorsk and Ridder, so infrastructure requirements for any future development should be relatively low.

The Company has so far had very limited access to data on the new area. Only highly summarised data have been obtained. The detailed data were classified as secret in Soviet times and the process of declassification is ongoing. The Company has taken steps to create an appropriate department which will be authorised to obtain secret data and expects to be able to do so shortly, greatly reducing the time it would take to receive declassified documents.

At Tserkovka itself, nine mineralised bodies have been revealed by mapping-drilling, trenching, pitting and underground exploration from over a kilometre of underground tunnels. At the conclusion of initial exploration in 1980 the gold reserves/resources amounted to:

Category C2: 4.5 tonnes (145,000 ounces)  
Prognosticated category P1: 7.5 tonnes (241,000 ounces)  
Total: 12 tonnes C2+P1 (386,000 ounces)

No information on the grades of the gold has been obtained but exploration work carried out at Tserkovka in 1980-1982, aimed at the estimation of the content of just two of the mineralised bodies to a depth of 60m, revealed 131 kilogrammes in category C2 at an average gold grade of 5.6 grammes per tonne.

The average dimensions of the mineralised zones were 200m strike x 80m width and, for mineralised bodies, were 100m strike x 3m width. Since the exploration was carried out on a grid of 400m x 100m through a soil layer of many metres, the fact that these zones were detected suggests that the area is highly prospective. The directors consider that further drilling is likely to increase the resource significantly.

Within the other three sites, only limited drilling so far appears to have been carried out. Nevertheless, the results were sufficient for Soviet geologists to estimate P1 resources of 10-12 tonnes of gold (322,000 – 386,000 ounces).

When the remaining information on the deposits is received, Hambledon will produce an overall update of the combined resources.

The directors consider that this extension is potentially far more significant than is apparent from the resources stated above. Since there has been only a limited amount of exploration, on a widely spaced grid, there is good potential for more significant discoveries. Furthermore, favourable zones of breccia that also host the Sekisovskoye and Tserkovka deposits are thought by both former Soviet and the Company's geologists to subcrop between the two deposits. Therefore, the potential for more discoveries along this five kilometre strike distance appears to be high.

An application for further extensions beyond the new territory is still outstanding and the Directors are optimistic about the prospect of obtaining them.

#### About Hambledon Mining plc

Hambledon Mining Plc was formed in 1997 to acquire mining rights and develop precious metal deposits in Kazakhstan. Currently, it holds the rights to the Sekisovskoye gold and silver deposit in the Altai region of East Kazakhstan.

Estimated resources at Sekisovskoye total one million ounces of gold classified according to the western (JORC) basis plus a further 1.1 million ounces in the former Soviet prognosticated (P1) category.

In June 2004, Hambledon Mining raised £2.5 million and was listed on AIM, enabling the Company to carry out a feasibility study at Sekisovskoye which is ongoing.

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