

11 November 2010

Ormonde Mining plc
("Ormonde" or "the Company")

Progress on Barruecopardo Tungsten Project

The Board of Ormonde is pleased to report ongoing progress on its Barruecopardo Tungsten Project in Salamanca, Spain, following the Technical and Economic Review and Optimisation Study ("the Study") carried out by Scott Wilson Mining ("Scott Wilson") and reported in mid-September.

Main Points

- Drilling in progress to include upgrading of relevant parts of the Inferred Resource to Indicated status and facilitate a definitive open pit design.
- Environmental studies, a key component of the supporting documentation required for permitting at Barruecopardo, now well advanced.
- Work is underway on the definitive technical-economic evaluation programmes required to advance the project through to the engineering design stage.

Kerr Anderson, Ormonde's Managing Director, said:

"The resumption of drilling and the progress on both permitting works and the technical-economic evaluation programmes form important steps in our timetable to deliver initial production at Barruecopardo by late 2012.

Tungsten prices continue to strengthen due to further supply shortages, with the European APT price now quoted as US\$280-286 per metric tonne unit (mtu), a rise of almost 30% in the past six months. These are very exciting times for the Company and we look forward to reporting progress and developments at Barruecopardo over the coming months."

Following a review of the open pit optimisation completed by Scott Wilson in September, drilling resumed at Barruecopardo in October with an infill programme designed to reduce the drill spacing and upgrade relevant parts of the open-pittable portion of the Inferred Mineral Resources to Indicated status. Initial holes are being drilled on the southern part of the deposit, progressively moving north, and results will be reported as appropriate as the programme proceeds. This drilling programme is scheduled to be completed in February next year.

The Base Case open pit optimisation study was carried out only on the Indicated portion of the current resource and encompassed **3.9 million tonnes of resource with an average life of mine grade of 0.43% WO₃**. The Scott Wilson report indicated that, at an open pit production rate of 500kt of ore per year for an initial mine life of 10 years, this would yield averaged production of **155,000 mtus of WO₃ per year** in concentrate, resulting in net operating cash flows of **€9.3 million to €13.7 million** per year at tungsten APT prices of \$245 and \$290 per mtu, respectively.

In addition to drilling, environmental works, a key component of the supporting documentation required for permitting at Barruecopardo, are now well advanced. Incorporation of the preliminary results from these studies with details of the proposed mining operation, as provided by the Scott Wilson Study, will form part of the initial permitting documents.

The final stage of testwork has been agreed with our metallurgical consultant to facilitate the design of the “clean-up” circuit configuration for the processing plant. The detailed processing design work will proceed thereafter and selection of appropriate engineering firms to carry out this work is in hand.

Selection of an appropriate mining consultancy to finalise the open pit designs will proceed as soon as the infill drilling has advanced adequately.

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, February 2007, of the London Stock Exchange, has reviewed and approved the technical information contained in this announcement.

A glossary explaining technical terms contained in this announcement can be found at www.ormondemining.com/en/investors/technical_glossary.

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About Ormonde

Ormonde Mining plc is quoted on the AIM in London and the ESM in Dublin. Ormonde is a mineral development and exploration company focused on Spain, with a principal objective of developing the Barruecopardo Tungsten Project to be a major western tungsten mine by late 2012.