

15 August 2011

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

**Antofagasta-Ormonde La Zarza Joint Venture**  
**New Permits Awarded – Major Work Programmes Commenced**

The Board of Ormonde is pleased to report that its wholly-owned subsidiary Ormonde España SL ("OESL") has now been awarded four new investigation permits along strike from its La Zarza Copper Project in the Huelva Province of southern Spain. These permits have been included in the joint venture with Antofagasta Minerals SA ("Antofagasta") and detailed work programmes will now be extended into these new areas.

**Main Points**

- The four new permits cover a total area of some 95 square kilometres along strike to the east and west of the known mineral resources at La Zarza.
- Work programmes for 2011 agreed by the joint venture include a close line spaced airborne electromagnetic (VTEM) survey, a gravity survey and a provision for some 3,000 metres of diamond drilling on any targets identified.
- The agreed budget for the programme of US\$1.3 million will be funded by Antofagasta under the terms of the joint venture agreement.
- Exploration activities have commenced and shareholders will be updated over the coming months.

Kerr Anderson, Ormonde's Managing Director, said:

*"The new permits are a significant addition to our ground holdings in the La Zarza Copper Project area and we are now moving forward with an aggressive exploration programme, funded by our Joint Venture partner Antofagasta, which will, I believe, identify any significant massive sulphides at reasonable depths in these new areas. I look forward to reporting on progress on the joint venture activities as these exciting programmes progress and results become available".*

**Background**

In October 2009, Ormonde entered into a joint venture agreement with Antofagasta to explore for additional copper resources on the La Zarza Copper-Gold Project, whereby Antofagasta could earn an initial 51% interest in the La Zarza permit area by spending US\$7 million over a three year period on exploration activities. Under the terms of the agreement, Antofagasta had the right to increase its interest in the area to 75% by the completion of a feasibility study on a mining project that would meet its investment criteria. Work during the first year of the joint venture culminated in the reporting in September 2010 of an in-house, unclassified, non-JORC compliant global resource totalling 61Mt grading 0.80% Cu, 0.9g/t Au, 0.56% Pb, 1.96% Zn, 5.7g/t Ag (1.34% CuEq cut-off). During this period, OESL submitted applications to the provincial mining authority for additional permits covering the strike extension of the La Zarza system and controlling structures. These permits have now been awarded by the provincial mining authority and the joint venture agreement has been amended to include the permits, with the work programmes funded by Antofagasta being extended over these new permit areas. Accordingly, the timing of the 51% earn-in date under the terms of the joint venture agreement has now been extended to 11 April 2015.

The Joint Venture has prepared an aggressive work programme to cover the entire permit area. This work will include an airborne EM survey (VTEM method) supported by ground gravity surveying, both being methods that have proven highly effective in the discovery of massive sulphide bodies, such as La Zarza, with an allocation for 3,000 metres of diamond drilling to follow-up on any anomalies identified. A budget for this programme of US\$ 1.3 million has been approved by Antofagasta.

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 announcement.

A glossary explaining technical terms contained in this announcement can be found at [www.ormondemining.com/en/investors/technical\\_glossary](http://www.ormondemining.com/en/investors/technical_glossary).

For more information please visit [www.ormondemining.com](http://www.ormondemining.com) or follow Ormonde on Twitter <https://twitter.com/ormondemining> or LinkedIn <http://www.linkedin.com/company/ormonde-mining-plc>

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#### **About Ormonde**

Ormonde Mining Plc is quoted on the AIM in London & the ESM in Dublin. Ormonde is a mineral development and exploration company focused on Spain (Ticker: ORM).

#### **Ormonde's key activities include:**

The **Barruecopardo Tungsten Project** - Ormonde is developing a low cost mining operation at Barruecopardo to initially produce ~8% of non-Chinese global mine production from 2012.

The **La Zarza Copper Project** - a large "massive sulphide" deposit with significant copper, resources; exploration for an enlargement to the current copper resources is being funded through a joint venture Antofagasta Minerals.

**Gold Exploration** in several highly prospective areas of western Spain.