

## **Operations Update - Changes to Mining Act**

London 13 May 2010: Ascot Mining Plc is pleased to provide a follow up progress report on its operations and address certain recently introduced changes to mining laws in Costa Rica

### **Chassoul Operations:**

**Expansion** - All three phases of the previously announced expansion are planned to be completed by 30 May. Systems testing should be completed within one week thereafter. Once commissioned, the mill capacity will be 150 tons per day.

**Production** - While the volume of production from its Chassoul project up until now has been delayed and gold production has been considerably lower than forecasted, the Company is encouraged by the progress being made with mine development and mill construction. On May 10, 2010, a 30.1oz dore bar of gold was poured. This is an increase from previous pours and is a material step toward achieving a satisfactory level of commercial production. The Carbon in Pulp milling process will take 3 weeks to saturate with gold. A further pour of 100 oz. is scheduled for May 21 followed by regularly scheduled pours of gold. The ore for this most recent gold dore bar was from Stope 1 of the Cajeta vein at the Chassoul Mine. Ascot Mining has completed all major construction to access the ore, and will commence high volume, low dilution stope mining on June 1, 2010.

The mill at the Chassoul mine is being expanded and construction is scheduled to be complete by May 31, 2010. The capacity for the expanded mill is 150 tons per day. Together, these initiatives will enable the mine and mill to reach forecasted production levels.

### **Tres Hermanos / El Recio Development:**

As previously announced the Company continues to develop its plans for mining and processing operations at its Tres Hermanos and El Recio properties. These planned operations will be environmentally friendly and will not use chemicals.

Using Canadian made gravity concentrators Ascot will construct a 75 ton per day mill on its property in the Costa Rica gold belt where the permits are already in place. The operation will process ore from Ascot's wholly owned subsidiary, Veritas Mining SA, as well as ore purchased from the region's many independent miners. Ascot's gravity mill will be the only facility in the area compliant with the changes to Costa Rica's mining laws described later in this Release.

### **Changes to Mining Law:**

On May 8, 2010 the President of Costa Rica announced a moratorium related to mining. Ascot is pleased to confirm that the moratorium does not impair its operations as all current and existing mining and milling permits are explicitly exempt.

In broad terms, the moratorium suspends open pit mining, the use of certain chemicals in milling and new mining permits with immediate effect. The suspension on open pit mining does not affect Ascot since it has no open pit mining operations planned. Amongst its ore resources is a near surface resource of 22,000 ounces which the Company plans to develop using methods other than conventional open pit mining. The ban on using mercury for milling gold similarly has no effect since Ascot does not use mercury. Ascot's milling sites and mining sites, both current and proposed, are permitted. Apart from one other very small operation, Ascot is currently the only operating gold mining company in Costa Rica.

Ascot supports the President's ban on mercury. Artisan miners in Costa Rica have for years been using mercury as part of rudimentary and inexpensive processing of mined ore whereby waste mercury is discarded into the environment and remains in the tailings.

Andrew von Kursell, the COO of Ascot Mining says "The announcement of this moratorium leaves Ascot uniquely placed to benefit from the development and operation of its permitted mines and mills".

Ascot's environmentally beneficial clean up:

Ascot is developing an economic business model that will benefit both the Company and the environment. Even before the Presidential decree outlawing the use of mercury was announced, Ascot's plan has been to access these numerous waste dumps and mill the mercury contaminated tailings to recover the residual unrecovered gold and safely remove mercury from the environment. The Company has approached the Costa Rica Department of Mines with a plan to clean up the mercury contamination caused by the historical use of Mercury by the free miners. The Company's proposal has been well received and the Department of Mines welcomes the initiative shown by Ascot in removing sources of contamination.

Acquisitions:

In view of the suspension of permitting new mining applications the Company will intensify its efforts to maximize its existing projects and limit its pursuit of additional prospects within Costa Rica. The Company is aggressively pursuing opportunities in other countries where it is in acquisition negotiations.

Canadian Listing:

As recently announced, the Board of Directors of Ascot Mining PLC ("the Board") has been reviewing the relative merits of listing the Company's shares in Canada. Having given this matter due consideration, the Board has retained Canadian legal counsel to immediately assist in seeking Ontario and British Columbia regulatory reporting status and to apply on behalf of the Company to list its shares for trading on a recognized and fully regulated Canadian Stock Exchange. In this regard, the Company expects to receive its recently commissioned NI-43-101 technical report shortly. An independent corporate valuation has been completed and will be released when the consultants provide clearance at which time the documents will be posted to the Company's website.

The Company originally listed on Plus Markets on 16 April 2008. However, it has been advised by some international shareholders and potential shareholders that they have found it difficult to access this market. The Board believes that the Company's existing and future shareholders will be better served by having access to a more liquid, easily accessible and transparent marketplace and that a listing in Canada, combined with its existing listings will provide a more efficient route for maximizing shareholder value and liquidity. The Company's shares have been trading on Xetra(R) since 15 December 2008 and this exchange currently accounts for the majority of Ascot's share trading volume.

David Jackson, CEO of Ascot Mining, stated, "Our corporate strategy continues to be accompanied by a commitment to our shareholders to facilitate ease of market access and to enhance the value and liquidity of our common shares".

*The Directors take responsibility for this announcement.*

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