

OPERATIONAL & CORPORATE UPDATE

London, 10th January 2012, Ascot Mining Plc (PLUS Markets: ASMP, XETRA®: AM3.DE, "Ascot" or the "Company") announces an update of its operational and corporate activities during the second half of 2011, and its strategy and key objectives for 2012.

Gold Production

Gold production has been increasing from a nominal 58 ounces in August; 159 ounces in October; and 203 ounces in November. Production in December was 87 ounces, as a result of the holiday period. The Company is also pleased to announce that it recorded its first operating profit of US\$25,000 in November, and whilst modest, this represents a positive stage in the development of its operations going forward.

Previous production estimates are now regarded as ambitious in the short term, although production of approx. 1,900 ounces of gold is targeted during the first half of 2012, which is expected to generate gross operating cash flow in excess of US\$2.5 million at current gold prices. However, it is the Board's belief that further production increases are deliverable from existing operations.

Tres Hermanos and El Recio Exploration Concessions

The Company received notification of the administrative cancellation of its Tres Hermanos & El Recio exploration concessions. The decision by the Ministry of Environment, Energy and Telecommunications to proceed with the administrative cancellation of the concessions is based on Article 15 of the current Mining Code (Law No. 6797) that establishes that the right of the concession owner to transfer or lease of their concessions required a prior authorisation of the Department of Geology and Mines (DGM) in order for it to be effective or legal.

The Concessions for Tres Hermanos and El Recio were granted under the previous Mining Code (Law No. 1551 of April 20, 1953), which was in force until April 4, 1982, when the current Mining Code (Law No. 6797) came into effect. Since then, the concession owners have been in compliance with the conditions under which the concessions were originally granted. The current Mining Code states "all permits and concessions awarded before the effective date of [the current Mining Code] shall be governed, by the rights conferred on areas of exploration or exploitation for the term of the validity of the concession under the previous legislation. In all other aspects, the rules set forth in this law shall prevail."

The previous Mining Code, which is applicable to Tres Hermanos & El Recio, did not require approval for the lease or transfer of the Concessions. Article 22 of the previous Mining Code states that "any transfer is valid as from the date of its entry in the records of this Department". As a result, the Company's legal team in Costa Rica

strongly believes that by applying Article 15 of the current Mining Code to the concessions of Tres Hermanos and El Recio, the Ministry has implemented the law retroactively and contrary to the Constitutional principle prohibiting the retroactive effect of a law against already acquired or grandfathered rights, and is therefore illegal.

Having now received a legal opinion on this administrative cancellation, the Company has postponed its planned exploration programme at these locations pending a final resolution, and has taken action to protect its investment by filing lawsuits against the Ministry for the illegal notice of administrative cancellation, including seeking costs and damages related to the potential future losses from its proposed exploration and development activities.

David Jackson, Ascot's CEO states: "We are surprised at the actions taken by the Ministry. However, the Board believes this event has no near term effect on the Company's operations, and we are confident a clarification of the law will bring about a satisfactory resolution of either reinstatement or financial compensation under the law as it applies to these two concessions".

Further information will be released as it becomes available.

Chassoul Mine

Following a recent site visit and subsequent recommendations by Dr Stewart Jackson, PhD. Geo, Ascot's Competent Person the Company's exploration and resource development team has been strengthened and is concentrating its full efforts on developing two additional recently accessed mineralised veins.

The Company will continue focusing on achieving sustained revenues at its Chassoul operations, where the Board believes that immediate value can be realised.

Corporate Update

The Company has undertaken a majority of the due diligence required for an AIM admission, and the Company remains committed to listing on AIM and TSX as soon as possible.

Furthermore, and in keeping with Ascot's long term strategy to broaden its asset base and diversify its operations geographically beyond Costa Rica, additional projects within the Americas are being pursued. A particular opportunity has already been identified which fulfils this objective, and which could potentially provide the Company with excellent precious, base and strategic metals exploration opportunities combined with potential near term gold production. A more detailed announcement will be made shortly in this regard.

2012 Objectives:

- * List on AIM and the TSX
- * Increase steady state production up to 3,000 ounces/quarter
- * Implement exploration and resource development programme at Chassoul as recommended by Dr. Stewart Jackson PhD. Geo, per recent NI 43-101 competent persons report
- * Establish a significant compliant reserve/resource at the Chassoul property
- * Broaden the asset base of the Company beyond Costa Rica
- * Expand the management team and Board
- * Diversify the mineral focus of the Company to include strategic metals
- * Continue the legal case regarding the proposed La Toyota joint venture

In Summary

The Directors plan to broaden the management team and expand the Company's business activities beyond Costa Rica during 2012 and wish to acknowledge the support of our shareholders during 2011. We remain committed to fulfilling our strategic objectives going forward. Accordingly, the Company's Mission Statement remains to:

"Grow shareholder value by building assets and production through the discovery, acquisition, development, mining and processing of mineral resources".

The Directors take responsibility for this announcement.

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