

## **FINANCING UPDATE**

London: 13 March 2013. Ascot Mining Plc (ICAP-ISDX: ASMP, Xetra®: ASMP:DD, the "Company") advises that, further to its announcement of 15 February 2013 regarding the passing of all resolutions at the general meeting on the same day, the Company has still not received payment of the agreed US\$10m funds from the subscriber. Subsequently, at the request of the Company trading in its shares on ISDX were suspended on 5 March 2013

The Company has been notified that the secured lender (the "Lender"), has instructed Banco Nacional de Costa Rica as trustee ("Banco Nacional"), to proceed with collection remedies for the balance of US\$2,355,239.20 (GBP 1,577,539.22) owed from the original US\$3,500,00 (GBP2,344,300) pursuant to the loan facility and security documents (the "Loan") as set out in the Guarantor Trust Agreement (under Costa Rica Law). During the term of the Loan the Company paid the Lender a total of US\$1,780,969.93.

Ascot's remedies under the loan facility and security documents are set out in the Guarantor Trust Agreement (under Costa Rica law) with Banco Nacional as trustee dealing with the power of sale of shares in Veritas Gold and Sociedad Anonima and Ganadera Los Maizoles in the event of a default.

The flow of events is as follows:

1. The Lender instructed Banco Nacional, which served a notice of default on Ascot and Veritas Gold CR SA on 13 March 2013.

2. Ascot and Veritas Gold have until 25 March to settle the outstanding debt, after which the Costa Rica Trustee, Banco Nacional, would be obliged publish a notice of auction in the national gazette to arrange the sale of the Veritas Gold shares and Sociedad Anonima Ganadera Los Maizoles held in trust as a 100% unit for a minimum price of the total sums owed (including all interest and costs/expenses). The sale must be by way of public auction in the national paper as soon as practical. If no sale at that minimum price occurs, the Costa Rica Trustee must hold a 2nd public auction 15 days later at 75% of the minimum sum. If no sale at that 75% minimum price is achieved in the 2nd auction, then the Costa Rica Trustee must hold a 3rd public auction 15 days later at 50% of the minimum sum. If no sale at that 50% minimum price in the 3rd auction takes place, then the Costa Rica Trustee must continue to hold public auctions until the assets are sold at any price with no reference to the minimum sum. Therefore the lender cannot legally take control of the mine or the shares. They have to go through the processes noted previously.

3. Ascot may stop the foregoing process at any time prior to the actual commencement of the auction by paying all sums due under the loan agreement.

The Company is continuing its efforts to secure new [funding](#) in order to remedy the situation caused by the default of the contractually obligated subscriber. While there can be no certainty, the Company has a number of prospective investors considering proposed terms. It should be noted that the Company does not require US\$10 Million but rather closer to US\$4 Million and the Board hope to make a further announcement in this regard shortly.

The Company's shares have been suspended from trading pending a resolution to its working capital shortfall.

Ascot will keep the market informed of further developments.

*The Directors take responsibility for the contents of this announcement.*

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