

Second Mill to Commence Production of Gold

London 14 Dec 2010, Ascot Mining announces the ore supply contract at the Boston concession has been amended whereby Veritas Mining CR SA, Ascot's wholly owned subsidiary, will now include a joint venture with Anami, the syndicate owners of the Boston Concession, to process high grade ore through the mill on site. The mill is a basic gravity mill consisting of a crusher, a primary ball mill, a regrind mill and four sluice boxes.

The Boston Concession is owned by a syndicate of local miners who wish to continue to work the property. Four levels are readily accessible for immediate ore production. The vein system is narrow with corresponding high grades. Available records indicate that an average mining grade of 0.3 to 1.00 oz/ton can be anticipated. As in other concessions in this area, bonanza type chutes with higher grades have been encountered and documented. Mining has commenced and an ore inventory is being compiled based on underground drilling and detailed mapping.

Veritas Mining has seven years remaining in the first term of a ten year renewable agreement with the concession owners whereby the syndicate will actively mine the property under the direction of Veritas Mining to deliver ore. Although Veritas Mining had previously constructed an adit and completed preliminary work at Boston, no ore was processed under the terms of the agreement to date due to the Company's focus of resources at its Chassoul project. The original agreement has now been amended to allow for immediate mobilisation and production of gold on site.

Initially, daily throughput will be in the order of 5 tons which will make an immediate contribution to Ascot's revenue. While the mill operates at that tonnage, Veritas Mining will make certain modifications to bring the capacity of the plant to the planned 50 tons per day within Q1 of 2011 at which time it will contribute in the order of 150 ozs of Gold per month to Ascot's overall production. The accumulated tailings from previous operations together with initial tailings from the new operations are expected to carry sufficient grades to warrant shipping to Chassoul for reprocessing as incremental mill feed to obtain a further yield of gold there. Operations will continue on a small scale until achievement of optimum recovery. Surplus ore will be stockpiled at the plant until certain modifications can be implemented. Once these are completed, throughput at the mill and recovery efficiencies will be optimised.

Once the Boston project is operational and production is combined with the already operating Chassoul mine, the Company will move forward immediately with mining and mill development at its Tres Hermanos and El Recio projects located to the Northeast of Boston.

David Jackson, CEO of Ascot states "Having brought the Chassoul mine into production we are proceeding with Boston, which will be followed by Tres Hermanos and El Recio. The Company is now implementing its plans to further expand its gold production in Costa Rica."

The Directors of the issuer accept responsibility for this announcement.

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Notes to Editors -

Ascot Mining is a PLUS quoted and Xetra® listed Gold mining company with a focus on Gold production in Costa Rica.

The Company's flagship asset is the Chassoul Gold Mine in Costa Rica, located approximately 76 km from the capital, San Jose, along the Pan American Highway, and then 22 km via a paved road.

The Chassoul mine received final permits on December 14, 2007, and rehabilitation is complete.

Construction of infrastructure, mill & plant facilities and the expansion of capacity to 150 tpd have all been successful and commissioning is now complete. Pouring of Gold dore is targeted for late November and at regular intervals thereafter. Throughput at the mill is increasing toward its expanded design capacity of 150 tpd with Gold production targeted to reach 1,200 ounces of Gold per month within sixty to ninety days. It is believed that the Chassoul Mine concession holds considerable potential as there is one explored vein and eight as yet unexplored veins.

Delivery of supplementary ore from the Company's other nearby mines, where development is proceeding well and on schedule, means that further increases in production are planned

Additionally, Ascot has acquired a 100% operational interest in the Tres Hermanos and El Recio Gold Concessions ("Tres Hermanos / El Recio"). These are located 110 km

North West of the capital, San Jose, Costa Rica and are readily accessible via a good 7.5 km gravel road from the Pan American Highway. The Tres Hermanos vein system, which can be traced on surface for a considerable distance, has been mined to a depth of 210 m. Reserve calculations indicate diluted resources of 825,000 tons at 0.319 oz/ton. The deposit is open at depth and on strike.