

24 January 2008

Ormonde Mining plc

Initial Inferred Resource Estimate of 1.0 Million Tonnes at 0.7% WO₃ at Barruecopardo Tungsten Project, Spain and Positive Preliminary Economic Evaluation

DUBLIN & LONDON: 24 January 2008 - Ormonde Mining plc ("Ormonde" or the "Company") is pleased to report very encouraging results from the initial resource estimation and a preliminary economic evaluation study ("Order-of-Magnitude Study") on its Barruecopardo Tungsten Project in Salamanca, Spain (the "Project"). The Company also reports a further five encouraging drill hole results from the various mineralised zones.

Highlights

- The initial resource estimate, based on drilling results to-date, is **1.0 million tonnes at an average grade of 0.7% WO₃** in the JORC Inferred Resource category; ongoing drilling aims to expand this to a minimum 1.5 million tonnes in the near-term.
- Furthermore, the Company believes that the resource potential down to a depth of 350 metres is of the order of **3-4 million tonnes**, based upon the deposit now being expanded from 3 to **5 mineralised tungsten zones** with all zones open along strike in both directions and at depth.
- The Order-of-Magnitude Study indicates that an underground production rate of **200,000 tonnes per year** ("tpy") would be appropriate for start-up which could result in tungsten production of around **90,000 metric tonne units** ("mtu") of WO₃ per year; this production rate could be increased post start-up.
- Net surplus cashflows from such an operation should be in the region of **€ million** per year.
- This Study indicates that the total capital costs of a 200,000 tpy mine would be in the region of **€10-15 million**.
- The Company envisages that the evaluation-feasibility study phase of the Barruecopardo Project should be completed during 2008.

Kerr Anderson, Managing Director, said:

"The Order-of-Magnitude Study indicates that Barruecopardo is a high-grade tungsten resource which has the potential to generate significant cashflows at relatively modest capital investment levels. Moreover, we are extremely confident that we will expand this resource to a minimum 1.5 million tonnes with our ongoing drilling programme. This will form the basis of a 200,000 tpy mine production study, which would rank Barruecopardo amongst the leading tungsten producers with an estimated 10% of Western World production."

Order of Magnitude Study

Mineral Processing: The processing of the tungsten ore would be through three-stage crushing, a rod-mill for coarse grinding, a gravity pre-concentration circuit utilising a combination of jigs and spirals and a final concentrate clean-up circuit to produce a

saleable concentrate. The Study assumes overall tungsten recoveries of 70% to 80% based upon the results of initial scoping testwork carried out last year and documentation relating to the historic open-pit operation at Barruecopardo. This would result in the production of around 90,000 mtu's of WO₃ per year. Additional testwork is being carried out to facilitate detailed process plant design.

Mining: The mining assumptions in the Study are for an initial production rate of 200,000 tpy, with underground access and ore transportation via a decline from surface. The steep dips, good ground conditions and visually distinctive mineralised zones should make for favourable mining conditions. The mining method is expected to be predominantly narrow-vein, mechanised long-hole stoping, with occasional use of shrinkage stoping. A minimum mining width of 2 metres has been assumed for the mechanised mining method.

Capital Costs: The preliminary capital cost for the development of a mine at Barruecopardo is based on development of an underground decline mine, construction of a **28 tonnes per hour processing plant**, together with related site infrastructure and working capital. This production rate may be increased post start-up when exploration of the other zones is advanced and multiple access points have been developed to all tungsten zones.

Cashflow Analysis: Based upon operating cost estimates ranging from €23 to €45 per tonne and head grades varying from 0.6% to 0.7% WO₃, with figures varying depending on the proportion of mechanised to shrinkage stoping, and assuming tungsten concentrate prices of US\$180 per mtu of WO₃, the proposed 200,000 tpy operation at Barruecopardo could generate annual cashflows in the region of €5 million per year.

Mineral Resource Statement

An Inferred Mineral Resource estimate has been prepared for the Barruecopardo Tungsten Deposit:

Category	Cut-off (WO₃%)	Tonnes (millions)	Grade (WO₃%)	Contained WO₃% (MTU*)
Inferred	0.3	1.0	0.7	700,000

* MTU = metric tonne unit, the standard unit of measurement for tungsten, which is equivalent to 10 kg of WO₃. 700,000 MTUs is equivalent to 7,000 tonnes.

The Mineral Resource estimate has been prepared by Ormonde to a standard which complies with reporting according to the JORC Code (2004) and has been independently audited by geological consultants CSA Australia Pty Ltd. Supporting information is provided in Note 1 and the Technical Notes supplied below.

In brief, the deposit is a steeply dipping, multi-vein tungsten mineralised system within granite rocks. Three major zones (FM, FC and FP Zones) and other less-defined zones have been intersected by Ormonde's drilling and are included in the resource estimate.

There are no verifiable historic data for the Project and only data from Ormonde's drilling programmes were used to prepare the resource estimate. Data from 25 holes were used, including new results reported below (see Technical Notes for details of all holes). Drilling is ongoing in areas not included in the current estimate, with a view to increasing resources in the near-term.

Further potential

The Mineral Resource does not include the full potential of the deposit and several opportunities exist to significantly increase the Project's resource base. For example, only a small part of the Filon Principal (FP) Zone has been included as only limited drilling (two holes) has so far been carried out on this zone. All zones are open at depth and

along strike, and other untested zones in the area present further potential to add significantly to the resource base.

Continuation of the existing drill-defined zones to a depth of 350 metres would indicate the potential for around 2-3 million tonnes of additional mineralised material. Together with the Inferred Mineral Resource, the potential of the Project could therefore be at least of the order of 3-4 million tonnes at a grade in the range 0.5 to 0.8% WO₃, with further resource additions likely as exploration of the other mineralised zones continues over the longer term.

New Drilling Results

Significant assay results received since the last drilling report are listed below. Eight of these intervals were included in the resource estimate as indicated.

Hole	From (m)	Width (m)	True Width (m)	WO3%	Resource
BAR-02	53.0	1.0	0.8	0.7	
	79.0	3.0	2.5	0.3	included
	110.0	1.0	0.9	0.6	
	125.0	3.0	2.6	0.5	included
	253.0	3.0	2.6	0.7	included
	295.0	1.0	0.9	1.4	included
BAR-23	131.0	1.0	0.7	0.3	included
	150.0	1.0	0.7	3.0	included
BAR-24	67.0	3.0	0.9	0.7	included
BAR-25	94.0	2.0	0.7	1.4	included
BAR-26*	80.0	1.0	0.8	1.9	

* This hole was abandoned due to technical difficulties before reaching the FP Zone. Samples from the repeat hole, BAR-26 BIS are awaiting assay.

Enquiries to:

Ormonde Mining plc
Kerr Anderson, Managing Director,
Fraser Gardiner, Director
Tel: +353 (0)46 9073623

Bankside Consultants
Simon Rothschild / Louise Mason Tel: +44 (0)20 7367 8888 Mob: +44 (0)7703 167065

Davy (Nomad / IEX Adviser)
Fergal Meegan Tel: +353 (0)1 6796363

Brewin Dolphin (UK Adviser)
Gordon Culfeather Tel: +44 (0) 141 314 8121

ENDS

NOTE 1 – Compliance statement on resource estimate

Mineral Resources are reported in compliance with the standards set out in the JORC Code (2004). Resources have been modelled and estimated using a manual polygonal method by Ormonde, and have been approved by Kerr Anderson PhD EurGeol PGeo, Managing Director of Ormonde. Dr. Anderson is a member of the Institute of Geologists of Ireland. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the JORC Code as a Recognised Overseas Professional (ROPO) and

a Qualified Person as defined in the Guidance Note for Mining, Oil and Gas Companies, March 2006, of the London Stock Exchange.

Further details on the Mineral Resources can be found in the Technical Notes section at the end of this announcement. A glossary of terms is also appended.

About Tungsten

Tungsten is most frequently used as tungsten monocarbide, which has a hardness close to diamond, in cemented carbides. The principal tungsten applications include its use in cutting steels and in tungsten alloys, electronics, and chemical products.

Prices of tungsten concentrates are expected to remain buoyant for the long term, and are currently quoted by the Metal Bulletin in the range \$160-\$180 per metric tonne unit. A metric tonne unit is equal to 10kg of WO₃, which equates to 1.0% contained WO₃ in the rock.

About Ormonde

Ormonde Mining plc is quoted on the AIM in London and the IEX in Dublin. Ormonde is a mineral development and exploration company focused on Spain, with the objective of developing mining projects and taking them into production.

For more information please visit www.ormondemining.com.

TECHNICAL NOTES & DRILLING INTERVALS

DATA USED

There are no verifiable historic data for the Project and only data from Ormonde's drilling programmes were used to prepare the current geological interpretation and resource estimate. All holes are core drilling using HQ core diameter. Data from 25 holes were used, with the relevant intervals for each zone set out below.

Filon Maestro (FM) Zone

Hole	From (m)	Width (m)	True Width (m)	WO ₃ %
BAR-01	115.7	1.0	0.8	0.5
BAR-02	253.0	3.0	2.6	0.7
BAR-03	101.5	3.4	2.5	1.0
BAR-04	122.0	0.9	0.6	1.6
BAR-05	133.7	1.7	1.5	0.4
BAR-06	245.0	1.0	0.7	0.7
BAR-09	119.0	2.0	1.5	2.1
BAR-10	125.0	2.0	1.4	1.5
BAR-11	114.0	1.0	0.7	0.3
BAR-12	128.0	2.0	1.4	1.7
BAR-13	123.0	2.0	1.4	2.4
BAR-14	Not mineralised			
BAR-15	122.0	2.0	1.4	0.4
BAR-16	202.0	4.0	2.9	0.6
BAR-17	125.0	2.0	1.4	0.9
BAR-18	254.0	1.0	0.7	0.3
BAR-19	268.0	2.0	1.4	0.5
BAR-21	125.0	5.0	3.7	0.5
BAR-22	132.0	4.0	2.9	0.2
BAR-23	131.0	1.0	0.7	0.3
BAR-24	67.0	3.0	0.9	0.7
BAR-25	94.0	2.0	0.7	1.4

The Filon Maestro Zone is the subject of the most detailed amount of drilling being intersected by 22 holes. The zone varies in width from 0.7 to 3.7 metres. In the current interpretation it extends for a total strike length of 900 metres and has a depth extent of 210 metres from the base of historic surface workings. The zone is open in both directions along strike, and is open at depth.

Filon Central (FC) Zone

Hole	From (m)	Width (m)	True Width (m)	WO ₃ %
BAR-02	125.0	3.0	2.6	0.5
BAR-05	22.7	0.8	0.7	0.7
BAR-06	106.3	0.5	0.4	0.7
BAR-16	91.0	1.0	0.7	1.4
BAR-18	91.0	1.0	0.7	0.7
BAR-19	96.0	8.0	5.8	0.3

The Filon Central Zone is intersected by 6 holes. The zone varies in width from 0.7 to 5.8 metres. In the current interpretation it extends for a total strike length of 650 metres and has a depth extent of 140 metres from the base of historic surface workings. The zone is open in both directions along strike, and is open at depth. Due to limited drilling data at the time of the resource estimate, resources have not been estimated along its full strike extent. Infill drilling is being carried out as part of the ongoing work programme.

Filon Principal (FP) Zone

Hole	From (m)	Width (m)	True Width (m)	WO ₃ %
BAR-02	79.0	3.0	2.5	0.3
BAR-20	137.0	3.0	2.2	1.0

The Filon Principal Zone is intersected by 2 holes. The zone varies in width from 2.2 to 2.5 metres. From historic mapping of the open pit, the zone is known to be on average 14 metres wide at lower overall grade (0.2% WO₃). In the current interpretation it extends for a total strike length of at least 700 metres (the length of the most recent open pit mining operation which focused on this zone), however in the current resource estimate resources have only been estimated along part of its strike extent. The zone has a known depth extent of 100 metres from the base of the open pit. The Zone is open in both directions along strike, and is open at depth.

Other mineralised veins

Hole	From (m)	Width (m)	True Width (m)	WO ₃ %
BAR-02	295.0	1.0	0.9	1.4
BAR-04	142.5	0.6	0.4	4.5
BAR-06	181.6	1.2	0.9	0.6

BAR-23	150.0	1.0	0.7	3.0
---------------	-------	-----	-----	------------

SAMPLING, LABORATORIES AND QUALITY CONTROL MEASURES

All core has been routinely logged by an experienced geologist. Relevant core intervals were split in half by diamond saw, with half being sent for assay and the other half being retained in the core boxes for reference.

Sample preparation and analyses were performed at ALS Chemex, Vancouver and ASA-OMAC Laboratories, Ireland. Reference samples are routinely included in each sample batch as quality control measures. Check assays on selected mineralised samples are being carried out although results were not available at the time of preparing the Mineral Resource estimate.

ESTIMATION METHODOLOGY

The Mineral Resource has been estimated using a manual polygonal method. The necessary measurements have been taken from longitudinal projections and cross-sections derived from a geological interpretation. Combined with the relevant resource drill hole intercept data, these were used to estimate tonnages and grades for each resource polygon / panel.

Geological Interpretation

The geological interpretation has allowed geological continuity between drill hole intercepts to be assessed and aided the determination of which drill hole intercepts were to be included in the resource estimation for each zone. The interpretation has been developed as an iterative process by cross-referencing information plotted on cross-sections, level plans and longitudinal projections. Surface features, in particular the distribution of surface workings (previously mined mineralised zones), have also been used as a guide to determining mineralised zone geometries and increase confidence in the interpretation derived from drilling data.

Bulk Density

No bulk density measurements are available to-date. The mineralised zones contain variable sulphide content (0% to 19%) and bulk densities will therefore vary locally. Sulphide content has been estimated for each drill hole intercept based on multi-element assay data, and a bulk density subsequently derived for each resource panel. Bulk densities range from 2.7 to 3.3 t/m³.

RESOURCE CLASSIFICATION

The Mineral Resource is classified in the Inferred resource category of The JORC Code (2004). See the Glossary for definitions of the JORC resource categories.

GLOSSARY

TERM	DEFINITION
Competent Person	A person who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Overseas Professional Organisation' ('ROPO') included in a list promulgated from time to time. A 'Competent Person' must have a minimum of five years experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which that person is undertaking.
Cut-off grade	The grade of material below which mining is uneconomic.
Inferred Mineral Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
JORC Code (2004)	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves "The JORC Code" 2004 Edition.
MTU	Metric Tonne Unit
Mineral Resource	A concentration or occurrence of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
WO₃	Tungsten trioxide, the standard form in the minerals sector for quoting tungsten content.