

5 August 2013

**Hambledon Mining Plc**  
(“Hambledon” or the Company”)

**Tailing Dam 3 Fines Update**

Hambledon Mining plc (AIM: HMB), the gold mining and development group, is pleased to announce that the Supreme Court of Kazakhstan (the “Supreme Court”) has overturned the decisions made by the Appeal Board of the Regional Economics Court of East Kazakhstan (“RECEC”) on 24 January 2013, and the earlier decision of the Regional Economics Court of East Kazakhstan on 23 October 2012, which resulted in fines of approximately US\$9.4million being levied on the Company as a result of a minor breach of a tailings dam (the “Additional Fines”). In its decision, the Supreme Court held that as a matter of Kazakh law the imposition of monetary damages for environmental violations must take into account remediation measures and that no damages should be imposed where adequate remediation measures were being implemented by the defendants. The Supreme Court also noted that no account had been taken of Hambledon's remediation efforts by the lower courts. The Supreme Court ordered an expeditious review of the case be conducted by the Appeal Board of the RECEC (the “Appeal Board”). The Appeal Board is required to consider anew whether monetary damages, if any, should be levied taking into account the principles articulated by the Supreme Court and, in particular, the remediation that has been agreed with the relevant environmental bodies and implemented by the Company following the accident.

Hambledon has to date paid a fine of US\$3.9million levied on the Company by the court investigator following the accident.

In light of the Supreme Court's decision and the extensive remediation measures, the Board expects that any additional fines that may be imposed by the Appeal Board are unlikely to be material.

**William Trew, Director of Hambledon, commented:**

“The Board welcomes the decision by the Supreme Court and looks forward to the satisfactory conclusion of this matter. Following the Breach, the Company has strived to ensure that the highest standards of environmental protection are put in place at its operations.”

A copy of this report will be available on the company's website, [www.hambledon-mining.com](http://www.hambledon-mining.com)

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