



African Mining and Exploration Plc ('AME' or 'the Company')

Kossanto Gold Prospect Moves into Resource Definition Drilling Stage

African Mining and Exploration plc, the AIM listed West African focussed gold exploration company, is pleased to announce positive check-assay results from its 207 sq km Kossanto Gold Project ('Kossanto') in western Mali.

Highlights:

- Positive check assay results on previously reported significant mineralisation
- Significant positive results include (see Table 1):
 - 9m @ 11.88 g/t Au, including 2m @ 28.15 g/t
 - 19m @ 1.87 g/t Au, including 10m @ 2.42 g/t
- Positive check-assay results mean significant savings as it removes the need for confirmation drilling
- Prospect moves into resource definition stage
- 5,000m reverse circulation ('RC') resource definition drilling programme on schedule to commence in November 2012

African Mining CEO Mark Jones said, "The confirmation of grade and intercepts at Kossanto, including a peak result of 29.2 g/t Au at the shallow depth of 16m, reinforces our view that the licence area warrants significant further investment. The strong correlation between the check-assays and the existing data on the three target areas of Gourbassi East, Gourbassi West and Massakama, will greatly assist us in the drill planning process and ensure we maximise the value of our in ground investment. With a strong cash position, an imminent drill programme at Kossanto and additional opportunities in the pipeline, I look forward to updating shareholders on developments as we continue to build a West African focussed gold exploration and development company."

The Company, following the acquisition of Caracal Gold Mali SARL in July 2012 (see RNS announcement of 3 July 2012), has been actively evaluating historic data including check-assaying analysis of mineralised intercepts and reverse air blast ('RAB') drilling in order to further ascertain the prospectivity of the Kossanto licence area. This was considered essential before planning for, and committing funds to, a 5,000m RC resource definition drilling programme, targeted to commence in November 2012.

Accordingly 62 samples of pulps from Caracal's original RC drilling were submitted to ALS laboratory in Bamako for check-assaying. These were taken primarily from the three identified target areas of Gourbassi East, Gourbassi West and Massakama.

Results have now been received and they have successfully replicated the previous results, underpinning the integrity of the historic data.

Results

Results were received for 62 samples, including 2 duplicates, 2 blanks and 3 standards. The highest result was 29.2g/t. The significant intercepts of the check-assays are presented in the table below:

Table 1: Significant intercepts from the check-assaying

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Au (g/t)	REMARKS	PROSPECT
GRC1	56	75	19	1.87		Gourbassi East
GRC5	8	13	5	1.56		Gourbassi West
MRC8	13	22	9	11.88	Incl. 2m@28.15g/t	Massakama

The following table shows as a comparison the initial results intercepts for the same intervals.

Table 2: Significant intercepts of the original assays for the same intervals

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Au (g/t)	REMARKS	PROSPECT
GRC1	56	75	19	1.81		Gourbassi East
GRC5	8	15	7	1.49		Gourbassi West
MRC8	13	22	9	16.47	Incl. 2m@43.0g/t (1m@63.7g/t)	Massakama

Analysis and QA-QC

Two types of Certified Reference Materials (Standards) from Rocklabs' Laboratory were used in conjunction with two blank samples and two duplicate samples to check the accuracy and precision of the laboratory. The control samples were found to be precise and conformed to the best standards applied in the mineral industry. The results are shown below:

Table 3: QA/QC data check

HOLE ID	SAMPLE ID	QC TYPE	SAMPLE TYPE	STD ID	STD VALUE	Au (g/t) ALS	QA-QC (%)
GRC1	GRC1-043 CD	DUP	Pulp			0.09	-9.1
GRC1	GRC1-049 S	STD	ROCKLABS	Ox69	3.583	3.54	-1.2
GRC1	GRC1-064 CD	DUP	Pulp			2.21	-20.5

GRC1	GRC1-065 S	STD	ROCKLABS	Ox69	3.583	3.62	1.0
GRC1	GRC1-065 P	BLK	BLANK	BLANK (P)	0.020	0.02	0.0
GRC5	GRC5-400 S	STD	ROCKLABS	OxC72	0.205	0.21	2.4
MRC8	MRC8-664 P	BLK	BLANK	BLANK (P)	0.020	0.02	0.0

There is a good correlation between the original results from SGS's accredited laboratory and the repeats undertaken by ALS accredited laboratory, and a strong correlation for all of the results below 19 g/t and above 0.3 g/t, with good and similar low detection limits. Outside of this range the nugget effect becomes an influence. 60% of the repeats were lower than the originals and 40% of repeats were the same value or a higher value without any observable bias. Deviation in the repeat results was particularly noticeable in the higher grades, as would be expected, with grades almost being halved or doubled as shown in the following table:

Table 4: Highest grade samples and their relative difference from the check-assaying

SGS Au (g/t)	ALS Au (g/t)	Difference (%)
2.92	2.81	-4
3.28	3.28	0
3.32	4.92	48
3.58	3.54	-1
3.58	3.62	1
3.84	4.68	22
3.94	4.68	19
6.21	5.59	-10
6.27	10.75	71
7.68	3.93	-49
19.80	15.85	-20
20.55	11.55	-44
22.30	27.10	22
63.70	29.20	-54

The overall datasets show a bulk recovered gold that is comparable. A slight loss in gold occurred when the results were check-assayed by ALS (-20%), if the Company considered 63.8g/t as the highest grade. However if reduced to a maximum of 32g/t the overall loss in gold totals -5%.

Conclusion

62 pulps including QA-QC samples were submitted and assayed by ALS laboratory in Bamako to replicate the overall gold values from the previous assays values. The samples were selected based on the available pulps and also the mineralisation style and the gold grade behaviour over the Kossanto project. The check-assay work programme, managed by AME's exploration team, succeeded in replicating and reconfirming the significant intercepts received from Caracal Gold's previous exploration.

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For further information please visit www.ameplc.co.uk or contact:

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Notes

About AME

African Mining and Exploration plc (AIM:AME) is a West African focussed gold exploration company. AME currently has a number of prospective gold projects in Mali including its flagship 207 sq km Kossanto Project located in the centre of the prospective Kenieba inlier in Western Mali. It is currently exploring and developing the Kossanto Project with a view to delineating its maiden JORC compliant resource. The Company is also evaluating additional opportunities in West Africa to expand its portfolio and geographical focus.

Caracal Gold Mali SARL - Acquisition Terms

On 2 July 2012 AME acquired 100% of Caracal Gold Mali SARL. AME paid an initial sum of £62,500, with a further £62,500 being paid after the completion of Government approval of transfers in respect of 3 licences, which was completed in October 2012.

AME envisages that it will spend up to US\$1.5 million on exploration on the permits in the 18 month period following completion. At the end of the 18 month period, AME will have at its sole discretion the right to allot ordinary shares, make a payment in cash or a combination of both cash and ordinary shares to the value of £1.25 million or grant the Seller a right of first refusal to reacquire Caracal from AME on a 'cash free debt free' basis.

If AME elects to proceed with the payment of £1.25m as set out above and where a JORC compliant Proven and Probable reserve of greater than 500,000 oz is established, AME shall be liable to allot 3,515,000 ordinary shares to the Seller.

Competent Person

The technical information contained in this announcement has been reviewed and approved by Mr Douglas D Chikohora. Mr Chikohora (MSc, MIMMM., CEng) has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and as a qualified person under the AIM Note for Mining, Oil and Gas Companies. Mr Chikohora is a Director of African Mining & Exploration Plc.