

LONDON MINING PLC

21 August 2009

**London Mining Plc (LOND.NO)
("London Mining" or the "Company")**

LONDON MINING RESOLVES DISPUTE WITH AFRICAN MINERALS AND THE GOVERNMENT OF SIERRA LEONE OVER MARAMPA PROPERTY

In a joint release today, London Mining Plc ("London Mining") and African Minerals Limited ("AML") are pleased to announce that they have settled each others claims over the Marampa area and have agreed on the boundaries of their respective areas. The Government of Sierra Leone has stated that it will incorporate the agreed boundaries in a revised Exploration Licence for AML and a revised Mining Lease for London Mining.

In addition, London Mining and the Sierra Leone Government have amicably resolved their long running dispute in respect of the Marampa area.

The Government of Sierra Leone has fully endorsed the arrangements between AML and London Mining and is delighted that both companies are now in a position to move forward in the development of Marampa which will have significant benefits both to the local area and to Sierra Leone as a whole.

Mr Frank Timis, Executive Chairman of AML and Mr Graeme Hossie, Managing Director of London Mining stated

"We are delighted that this misunderstanding has now been resolved and both our companies are fully committed to the development of the iron ore industry in Sierra Leone."

For more information, please contact:

Investors

London Mining Plc

Graeme Hossie, Managing Director +44 (0) 20 7201 5000
Rachel Rhodes, Financial Director
Thomas Credland, Head of Investor Relations

Media

Crux Kommunikasjon (Norway)

Charlotte Knudsen +47 97 56 19 59

Threadneedle Communication (UK)

Laurence Read +44 (0) 20 76539850

39 SLOANE STREET
LONDON
UNITED KINGDOM
SW1X 9LP

PHONE: +44 (0) 20 7201 5000
FAX: +44 (0) 20 7201 5050
EMAIL: INFO@LONDONMINING.CO.UK
WEBSITE: WWW.LONDONMINING.CO.UK

REGISTERED OFFICE IN ENGLAND & WALES: 39 SLOANE STREET, LONDON SW1X 9LP

(No. 5424040)

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About London Mining

Founded in April 2005, London Mining is incorporated and registered in the UK. In 2007, London Mining raised over USD 185 million to advance iron ore production from its projects, and listed on the Oslo Axess, a marketplace regulated by the Oslo Stock Exchange. In 2008, it sold its Brazilian mine to Arcelor Mittal for USD810m and returned GBP220m to shareholders. The Company currently has iron ore projects and mines in China, Sierra Leone, Saudi Arabia and Greenland, and coal assets in South Africa and Colombia. London Mining trades under the Reuters symbol LOND.OL and Bloomberg symbol LOND:NO.

Recently reported operational milestones

Iron ore

China

- Group to report production from Q2 2009
- Assessment of safety, operations and expansion plans underway

Sierra Leone

- Final phase engineering and production decision expected in H2 2009
- Truck and barge route established to deep water port for export

Saudi Arabia

- Positive feasibility study complete for first 5mtpa project phase.
- Independent market study identified significant supply deficit of c.20mtpa of direct reduction (DR) pellets in the Middle East and North Africa (MENA).
- Bankable feasibility study underway

Greenland

- Resource definition and engineering work towards prefeasibility study ongoing
- Updated resource statement and prefeasibility study planned in late H2 2009

Coal

South Africa

- Updated resource statement received from DMC Energy on Rietkuil project .

Colombia

- London Mining is reviewing strategic opportunities relating to its 20% investment in International Coal Company.