

Cambridge Mineral Resources plc

UPDATE ON ACTIVITIES

Cambridge Mineral Resources plc ("CMR" or "the Company"), the exploration and mining company, provides the following update on its activities.

COLOMBIA

CMR commenced production at its Quintana Gold Mine in November 2008, and shortly thereafter made payment for its first monthly gold delivery due to its finance provider under a Pre-Payment Agreement ("PPA") dated 31 December 2007, which had provided US\$5M to finance the development of the mine.

In December 2008 various technical problems were encountered on site with the new plant and equipment, which are not uncommon with new mine start-ups. This impacted gold production whilst the appropriate remedial actions were taken. However, as a result of this and the statutory Christmas holiday shutdown the Company was unable to make the second month's payment due on 31 December 2008.

One week later the finance provider issued CMR with a notice of breach under the PPA and a demand for payment of the total 13,541 ounces of gold (which under the PPA was due to be delivered over the full term of 39 months), equivalent to over US\$12 million at the then current gold price, but to be paid within 28 days.

CMR was unable to obtain 13,541 ounces of gold or US\$ 12 million within the month required by the finance provider, who then exercised their securities under the PPA, being the shares in CMR's companies in Panama and Colombia, which hold the Quintana mine and various other projects.

Further to its announcement on 14 January 2009, the Company remains in discussion with the finance provider and with prospective new financiers. The PPA has not been terminated.

As no management has been on site since the finance provider called the payment demand operations ran down and the mine is currently on care and maintenance.

PERU

CMR holds a number of projects on the Patacancha claim group, via its wholly-owned subsidiary Minera Peru Gold SAC. A Feasibility Study was completed on its Rasuhilca silver-gold mine in 2008, establishing the potential of the mine to produce 1,000,000 ozs of silver and 15,000 ounces of gold over an initial 5 year mine life together with further potential to convert additional resources to minable reserves within the overall resource. The Company is currently evaluating options to advance or divest the project.

SPAIN

On 9 April 2009 CMR entered into a Letter of Intent to sell its wholly-owned Spanish subsidiary Recursos Metalicos SA ("Recursos") which holds the polymetallic Lomero-Poyatos mine and base-metal Masa Valverde exploration permits. The sale is subject to all normal reservations and preconditions including due diligence.

BULGARIA

CMR's Joint Venture with Electrum Gold Inc ("Electrum") is proceeding satisfactorily. Electrum recently completed its first-stage earn-in program and exercised its option to take 51% of the Joint Venture company. Electrum is now proceeding with its second stage earn-in program, which upon completion entitles them to acquire 80% of the Joint Venture company. Under the Joint Venture certain exploration licenses have been relinquished and new exploration licenses have been applied for.

CORPORATE

The Company's nominated adviser (Nomad) resigned on 30 January 2009. Under the AIM rules a new Nomad was required to be appointed within one month. A prospective new Nomad completed the required due diligence on CMR but at the last minute was unable to be appointed due to the uncertainties over the ongoing situation with the finance provider for the Colombian gold mine. As a result CMR was de-listed from AIM. The board did all it could to avoid this situation was extremely disappointed with the outcome. However, CMR remains a public company and all shares remain in force as before. The Company hopes to re-list at suitable point in the future.

FINANCIAL

CMR has received no income from the Quintana Gold Mine to date, and the finances of the Company are being totally supported by the directors pending the outcome of the matters described above.

A further update will be issued in due course.

By The Board of Cambridge Mineral Resources plc

12 May 2009