

# African Consolidated Resources Plc Conclusion of Tolling Contract at Pickstone

TIDMAFCR

African Consolidated Resources Plc ('ACR' or the 'Company')

## Conclusion of Tolling Contract at Pickstone

African Consolidated Resources Plc, the Zimbabwe focused mineral exploration company is pleased to report that it has concluded a contract with subsidiaries of TWP Holdings Ltd. ('TWP') for the production of gold from its sulphide concentrate dump at Pickstone (the 'Contract'). This is a significant step in the Company's development and will assist the underpinning of the Company's exploration and development expenditure.

TWP is a South African public company that provides project management services to the mining industry. As foreshadowed in the Company's 2009 Annual Report, under the Contract TWP will furnish the major part of the treatment plant (the Plant), extract the gold, and guarantee percentage extraction performance in exchange for a toll-fee per tonne.

ACR will incur approximately USD 500,000 capital expenditure on the construction of an elution plant and an assay laboratory, and will contribute a further USD 500,000 towards the construction of the Plant. When the dump has been exhausted ACR will acquire a 50% interest in the Plant for nominal consideration.

As previously reported the sulphide concentrate dump contains an estimated resource of 28,300oz Au (200,000 tonnes at 4.4g/t). Production is planned to commence in April or May 2010 and achieve full production in June 2010, with a throughput of 20,000 tonnes per month. On the basis of a targeted recovery rate of 73% and allowing for further possible processing losses of up to 10%, targeted production is approximately 1,815oz per month, which at gold price of USD 950/oz would generate revenues of approximately USD 1,725,000 per month, and net cash receipts for ACR after tolling fees, other operating costs, royalties and taxation of approximately USD 400,000 per month.

Under the Contract the treated gold bearing material will be delivered to ACR for processing in the elution plant. ACR will be responsible for the gold sales process.

The Contract remains subject to certain conditions precedent in relation to due diligence and test work but the Company understands that the conditions have already been substantially complied with.

As the relationship with TWP develops TWP and ACR intend to investigate the possibility of working together both on other tailings dumps at Pickstone-Peerless and on other projects.

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