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22 July 2010

**African Consolidated Resources plc ('ACR' or 'the Company')**
**Maiden JORC Resource Statement for Blue Rock Gold Project**

African Consolidated Resources plc, the AIM listed resource development company focussed in Zimbabwe, is pleased to announce that it has achieved the 1 million ounce JORC compliant gold resource milestone following the publication of a maiden JORC Resource at the Blue Rock gold project ('Blue Rock'), located in the Gadzema greenstone belt near Chegutu, 100km southwest of Harare.

## Highlights

- Maiden JORC Resource at Blue Rock totals 8.5 million tonnes @ 1 g/t for 270,000 oz, using a cutoff grade of 0.6 g/t
- ACR's total JORC compliant gold resources at its Pickstone-Peerless, Giant and Blue Rock projects now 1,085,000 ounces
- Assay results awaited for diamond drilling quality control holes. Once quality control checks are complete it is hoped that a significant proportion of the maiden Resource can be re-classified in the Indicated category
- Maiden Resource based on drilling to May with 20 RC holes completed since identifying new trend, 250m from the Blue Rock trend

ACR Chief Executive Officer Andrew Cranswick said, "This maiden resource from our Blue Rock gold project adds further tangible value to our growing portfolio of gold projects in the northern midland greenstone belts in Zimbabwe, where our JORC compliant resources now exceed 1 million ounces. This latest resource again reiterates the considerable potential of this highly prospective area, which we intend to crystallise through additional exploration and development.

"Importantly, this resource statement, which exceeds management expectations, highlights the attractive modelling of the Blue Rock orebody. Gold mineralisation extends to near surface, demonstrating that it is well suited for open pit mining which underpins the potential for robust economics from this target. Our work programme will now focus on the delineation of mineralisation along the 5km of strike between Blue Rock and the Giant Mine, with drill intersections to date demonstrating similar broad zones of silica-pyrite alteration and gold mineralisation. When viewed alongside the BFS roadmap ACR has recently outlined in its partnership MOU's, the on-going delineation of resources fits the strategy of extracting value from our assets through large-scale gold production".

The Blue Rock Resource covers 500m of strike of ultramafic schists interbedded with banded iron formations and minor mafic volcanics. Later felsic intrusions are emplaced along extensive NNE structures, and have been extensively altered by silica-pyrite mineralisation. Gold mineralisation occurs within banded iron-formations (where it was historically mined), in narrow quartz veins and in broad zones in the felsic intrusives. Minor mineralisation extends into the ultramafic schists.

A JORC Inferred Resource has been calculated by Hellman and Schofield ('H&S') consultants of Perth, Western Australia as 8.5 million tonnes @ 1 g/t for 272,000 oz, using a cutoff grade of 0.6 g/t. This result is above management's expectations, partly due to the generally broad and consistent gold intercepts (up to 30m), which generate a coherent and robust block model. The modelling generates high tonnes per vertical metre, well suited to open pit mining. The orebodies extend to near surface (below shallow soil cover), and there appears to be a moderate supergene enrichment in the oxide zone (approx 0 to 30m) which generates attractive mining targets at very shallow depths.

ACR's total gold inventory is summarised in Table 1 below:

**Table 1: ACR Resources July 2010**

| | Oz | Grade | Tonnes | Cutoff g/t | JORC Category |
|---|---|---|---|---|---|
| Peerless ACR drilling | 210,000 | 1.4 | 4,600,000 | 0.5 | Inferred |
| Concession ACR drilling | 240,000 | 1.5 | 4,800,000 | 0.5 | Inferred |
| Dumps, Pickstone-Peerless | | | | | |
| Big Red | 15,900 | 1.3 | 380,000 | 1.0 | Measured |
| Football Field | 18,800 | 1.0 | 586,000 | 1.0 | Measured |
| Concentrate | 28,300 | 4.4 | 200,000 | 1.0 | Measured |
| **Total Pickstone-Peerless Resource** | **513,000** | **1.5** | **10,566,000** | | |
| **Giant Resource[1]** | 300,000 | 2.2 | 4,400,000 | 1.0 | Inferred |
| **Blue Rock Resource** | 272,000 | 1.0 | 8,500,000 | 0.6 | Inferred |
| **TOTAL ALL** | **1,085,000** | **1.5** | **23,466,000** | | Inferred, measured |

**[1]**Excludes Giant Dump - to be JORC calculated

The Blue Rock Resource is based on 73 Reverse Circulation (RC) holes totalling 9,158m on 13 lines spaced 40m apart. Drill spacing along lines is generally 30-40m. Drillholes were angled 60 degrees west at approximate right angles to the north-trending orebody. The orebody dips steeply east at 70-80 degrees, hence drill intercepts are close to true thickness. Maximum drillhole length was 180m, allowing the orebody to be modeled to a maximum vertical depth below surface of 200m. ACR have undertaken bulk density determinations of 116 core samples originating from two diamond core holes (BRDD0001 and BRDD002). Figure 3 shows a plan projection of the drilling.

In addition to the RC drilling, four diamond drill holes ('DDH') have been completed for quality control purposes, to twin the RC drilling and cross-check RC grades, particularly below the water table which stands at about 30m below surface. Diamond core assays are awaited. Visually, the diamond core intersected broad zones of mineralisation similar to that logged in the RC holes; however until quality control checks are complete, ACR and H&S regard it prudent to classify the Resource as Inferred. Once quality control checks are complete it is hoped that a significant proportion of the maiden Resource can be re-classified in the Indicated category.

Significant drill intersections making up this Resource have been previously reported in the May 2010 Technical Update, which is available for download on our website at www.acrplc.com. The H&S JORC document will also be available for download from the same website following the publication of this announcement.

*Figure 1: Blue Rock Project Area - Geological Map and Drillhole Locations*

**Ongoing Exploration**

The Blue Rock project is one of several targets in the Gadzema greenstone belt that is being actively explored this year. Since 2006, ACR has completed over 27,000m of RC drilling at the Giant Mine, Blue Rock and Shlegani projects, within a semi-contiguous land holding covering over 10km of strike length of the Gadzema belt. Joint venture negotiations are underway with neighbouring landholders to consolidate the land position.

ACR now has a good understanding of the regional geology and ore controls at Blue Rock, and believes additional, similar bodies will be discovered in the 5km of strike between Blue Rock and the Giant Mine to the north. Additional drilling of 20 RC holes to the north-east of Blue Rock has identified another trend (Berks trend) parallel to, and 250m to the east of the Blue Rock trend (see drillhole locations, Figure 2.). The Berks trend is being drill tested over a strike length of over 600m. Initial results returned from the lab are positive with 3g/t-intercepts close to surface.

The Berks trend together with the Shlegani prospect (3 km north of Blue Rock, see Figure 2), previously drilled by ACR, will be the focus of ongoing exploration at Gadzema, where over 5,000m of RC drilling is budgeted in the coming months.

*Figure 2: Gadzema belt - Location of ACR RC drilling to date on aeromagnetic image.*

**Technical Details**

H&S was commissioned by ACR to estimate the Mineral Resources at the Blue Rock gold project in Zimbabwe.

Information supplied for the current study includes sample and assay data for 73 RC drill holes and four DDH drilled by ACR. At the time of compiling the resource estimate for Blue Rock the sample and assay information relating to the DDH's were not available. H&S recommend that the Blue Rock resource estimate be updated once the DDH sample information has been received by ACR.

Recoverable resources have been estimated using the method of Multiple Indicator Kriging (MIK) with block support adjustment. The model estimates resources into panels with dimensions of 20mE by 20mN by 5mRL. MIK of gold grades used indicator variography based on the resource sample grades, with continuity of gold grades characterised by

indicator variograms at 14 indicator thresholds. A block support adjustment, incorporating an adjustment for Information Effect, was used to estimate the recoverable gold resources assuming a selective mining unit of 4mE by 8mN by 2.5mRL and grade control sampling at 6mE by 8mN by 1.5mRL. The shape of the local block (smallest mining unit) gold grade distribution has been assumed lognormal within each panel.

The recoverable resource estimates within each panel have been modelled according to the distribution of sampling in the kriging neighbourhood, through three progressively less stringent search and sample criteria, producing three categories of resource panels. This classification scheme takes into account the uncertainty in the estimates related to the proximity and distribution of the informing composites.

The Blue Rock resource estimates are reported below at a series of cut-off grades, which span the range of interest for open pit mine optimisation and mine planning. The estimates are constrained by the natural surface as estimated from drill hole collars. The estimates are considered recoverable by mining and H&S do not recommend application of ore loss and dilution factors in quantifying ore reserves. The figures in this table are rounded to reflect the precision of estimates and may exhibit rounding errors.

**Mineral Resource Estimate for Blue Rock**

| | | **Inferred** | |
|---|---|---|---|
| **cut-off** | **Tonnes** | **Grade** | **Ounces** |
| | Mt | g/t Au | K oz |
| 0.40 | 13.9 | 0.8 | 359 |
| 0.50 | 10.9 | 0.9 | 316 |
| **0.60** | **8.5** | **1.0** | **272** |
| 0.70 | 6.5 | 1.1 | 230 |
| 0.80 | 4.9 | 1.2 | 193 |
| 0.90 | 3.7 | 1.3 | 161 |
| 1.00 | 2.9 | 1.5 | 135 |
| 1.10 | 2.2 | 1.6 | 113 |
| 1.20 | 1.8 | 1.7 | 95 |

*Figure 3: Drill hole collars and hole traces.*
*Gold intercepts displayed as histograms*

Figure 4 to Figure 7 show a series of cross-sections through the resource data, domain interpretations and MIK model. The plot show MIK panels coloured by estimated mean grades (e-type estimates) and the east dimension of the panels scaled by the recoverable proportions above 0.5g/t Au cut-off. The model domain boundaries are shown as polygons (red = Domain 1 and magenta = Domain 2) and the interpretations of topography (green), base of highly weathered (brown) and top of fresh (blue) are shown as lines, the latter two used to define the sub-domains in the MIK model.

*Figure 4: Cross Section 7,999,400mN through resource model and drill holes*

*Figure 5: Cross Section 7,999,320mN through resource model and drill holes*

*Figure 6: Cross Section 7,999,200mN through resource model and drill holes*

*Figure 7: Cross Section 7,999,120mN through resource model and drill holes*

The work reported herein was undertaken by Nic Johnson who is a full-time employee of H&S and a Member of the Australian Institute of Geoscientists. Mr. Johnson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person in terms of JORC standards for reporting of mineral resources. Mr. Johnson has not visited the Blue Rock gold project.

H&S accepts responsibility for classifying the current estimates as Inferred, providing ACR nominate a Competent Person, or Persons to accept responsibility for the sampling data and bulk densities applied to the estimate and to attest to the reasonable prospect of eventual economic extraction of the mineral resources. The Competent Person for ACR is Michael Kellow, Technical Director, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person in terms of JORC standards for reporting of mineral resources. Mr Kellow meets the definition of a "qualified person" as defined in the AIM Note for Mining, Oil and Gas Companies.

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**Glossary of Technical Terms**

| **Term/ Acronym** | **Explanation** |
|---|---|
| aeromagnetics | magnetic survey carried out with a sensor in an aircraft; |
| archaean | rocks greater than 2,600 Ma in age; |
| argillaceous | a sedimentary rock dominated by clay and silt-sized particles; |
| Au | chemical symbol for gold; |
| concentrate | normally of metallic minerals such as pyrite and arsenopyrite after removal of gangue; |
| Cu | chemical symbol for copper; |

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| DDH | diamond drill hole |
| diamond drilling | drilling method using a diamond-impregnated cutting bit to obtain a core sample of rock; |
| electromagnetic survey | geophysical technique using electrical currents to detect conductive bodies below surface. Conductive bodies include massive-sulphides that may contain base metals; |
| EM survey | see electromagnetic survey; |
| fault | a fracture or break within a body of rock across which some movement has occurred; |
| felsic intrusive | an igneous rock of granitic composition that is intruded into surrounding strata; |
| fold | geological term for a curve or bend of planar surfaces in rocks; |
| geophysics | mineral prospecting systems designed to detect mineralisation using the physical properties of rocks; |
| igneous rock | originally molten can be volcanic or intrusive |
| IP survey | "Induced Potential" - a geophysical technique to detect disseminated sulphide mineralization; |
| JORC | Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy; |
| kriging | A geostatistical procedure used for estimating ore reserves. |
| lodes | a discrete, rich portion of an orebody that has a distinct spatial orientation, often controlled by faults and folds |
| mafic rock | An intrusive or extrusive volcanic rock rich in dark-coloured minerals rich in magnesium and iron. Basalt and gabbro are common types. |
| magnetic survey | measurements of the perturbation in the earth's magnetic field caused by magnetic minerals in rocks; |
| mineralisation | metallic minerals such as gold, base metals, pyrite and arsenopyrite incorporated in rocks; |
| Mineralised zones | hydrothermally altered structural features containing potentially valuable minerals; |
| orebody | economically viable portion of a mineralised zone; |
| pyroxenite | an ultrabasic rock rich in pyroxene - a silicate mineral; |
| quartz | silicon oxide mineral very common in hydrothermal deposits; |
| radiometrics | the measurement by spectrometer of radiation energy given off by radioactive rock-forming minerals, usually Uranium, Thorium, Potassium; |
| resource | mineral resource as defined by the JORC Code 2004; |
| reverse circulation (RC) drilling | rotary percussion drilling whereby the RC sample is returned from the cutting head inside the rod string to surface thereby avoiding contamination from the walls of the hole; |
| rotary air blast (RAB) | Open-hole drilling whereby drill RAB cuttings are returned |

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|---|---|
| drilling | to surface by compressed air in an un-lined hole; contamination is possible from the walls of the hole; |
| schist | metamorphic rock with well developed foliation; |
| shear zone | zone of multiple fractures or discontinuities in rock, either ductile or brittle; |
| siltstone | fine grained usually quartz rich sedimentary rock; where calcareous contains calcium or magnesium carbonate; |
| stockworks | zone of multiple quartz filled fractures with individual veins often of random orientation; |
| strike | the horizontal orientation of a planar geological feature; |
| sulphide | sulphur bearing metallic mineral; |
| supergene | near-surface weathering processes often leading to enrichment of gold, copper etc from fluctuations of the water table and oxidation chemistry. |
| thrust | shallow dipping fault where the upper body of rock overrides the lower portion; |
| Ultramafic (ultrabasic) | Igneous rocks with a low silica content and high magnesium content (generally >18% MgO), high FeO, and usually comprises >90% mafic minerals |