

African Consolidated Resources plc ('ACR' or 'the Company')
Marange Update

African Consolidated Resources plc, the AIM listed resource and development company focussed in Zimbabwe, announces that further to its announcement of 7 September 2010 the Company together with its lawyers have now had an opportunity to examine the judgement of 6 September 2010 (the 'Rescission Judgement') which rescinded the September 2009 High Court Judgement which had confirmed the Company's title to its diamond claims at Marange ('September 2009 H C Judgement').

The Company has now lodged an appeal against the Rescission Judgement (the 'Rescission Appeal'). The effect of the lodging of the Rescission Appeal is to suspend the Rescission Judgement pending the hearing of and decision on the Rescission Appeal. The hearing of the Rescission Appeal will be subject to completion of various formalities which could extend for some 6-12 months or longer.

In a related development the Ministry of Mines and other parties have withdrawn their appeal against the September 2009 H C Judgement.

This withdrawal coupled with the Rescission Appeal has the result that the original judgement concerning ACR's valid title (i.e. the September 2009 H C Judgement) is now in force.

Costs in the Rescission Judgement application were awarded against ACR. Costs leading to the September 2009 H C Judgement and in the appeal to the Supreme Court thereon were awarded against the Ministry of Mines and other parties. Costs were awarded on a party and party scale and are not likely to be significant.

The judge giving the Rescission Judgement has based his decision for rescission on a finding that there has been proof that the evidence provided by ACR at the hearing leading to the September 2009 H C Judgement was 'made fraudulently and with intent to mislead'. The Company strongly denies any improper conduct in asserting its rightful claims at Marange. Legal opinion given to the Company is to the effect that the Company's prospects of success on appeal against the Rescission Judgement are extremely strong.

In the grounds of the appeal against the Rescission Judgement it will be averred *inter alia*

- (i) that the judge erred by making several procedural errors
- (ii) that the judge erred by making significant errors in interpretation of the law
- (iii) that the judge erred by drawing conclusions that were not sustainable upon the evidence before him and defied all logic

And most importantly

- (iv) that the finding that there is proof that the evidence produced by ACR at the hearing leading to the September 2009 H C Judgement was made fraudulently and with intent to mislead was grossly improper in that it was legally flawed and based on uncorroborated allegations which the Company denies and has had no opportunity to properly defend in open court.

ACR Chief Executive Officer Andrew Cranswick said, “It is important to note that the litigation referred to was not initiated by ACR. This litigation against ACR proceeded in spite of calls to amicably settle the matter. The Company has repeatedly stated its desire to work with the Government on this issue and to resolve the impasse outside of court in a legal and fair manner that will benefit Zimbabwe while gaining international acceptance. We again state our wish to move forward on the issue and assist in reversing negative international sentiments about these diamonds. The perceived lack of transparency and fairness continues to obstruct the flow of clean, ethical funding into the economy. Furthermore, the world diamond industry continues to be at great risk from the negative perceptions which are building on the consumer end. This is surely in no-one’s interests. ACR has laid solid foundations for the future development of mines, community welfare and jobs at many locations around Zimbabwe with production possibilities in copper, nickel, phosphate and gold. We wish to work productively with the Government and continue our contribution to the country.”

The Company continues to make progress on its other projects. In particular subsequent to the delineation of a JORC Resource at Blue Rock as announced on 22 July 2010 the Company expects to announce further drilling results in the Gadzema Belt in early October.

****ENDS****

For further information visit www.acrplc.com or please contact:

Roy Tucker	African Consolidated Resources plc	+44 1622 816918 +44 7920 189012
Andrew Cranswick	African Consolidated Resources plc	+44 7920 189010
Richard Greenfield	Ambrian Partners	+44 20 7634 4700
Hugo de Salis	St Brides Media & Finance	+44 20 7236 1177
Susie Callear	St Brides Media & Finance	+44 20 7236 1177