

African Consolidated Resources Plc Update on Marange Claims

TIDMAFCR

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

Update on Marange Claims

The Company notes recent press coverage of orders of the Zimbabwe Supreme Court handed down on 25 January 2010 (the 'Supreme Court Orders') in relation to matters connected to the claims previously registered in the names of its subsidiaries on the Marange diamond field (the 'Marange Claims').

The Supreme Court Orders related to an interlocutory appeal in connection with the High Court Judgement handed down on 25 September 2009 (the '25 September Judgement') which as already announced confirmed the Company's title to the Marange Claims. Also as previously announced the 25 September Judgement is subject to an appeal to the Supreme Court (the 'Substantive Appeal'). The Company understands that this appeal is not likely to be heard for some time.

The Supreme Court Orders stipulated that both the diamonds seized from the Company in January 2007 and all diamonds acquired from the Marange Claims be surrendered to the Reserve Bank of Zimbabwe pending the determination of the Substantive Appeal.

There are many legal and judicial processes currently ongoing. These include a recent attempt to introduce new evidence questioning the Company's title, which was not produced at the hearing before the 25 September Judgement and which is strongly disputed by the Company.

While the Company welcomes the Supreme Court Orders, none of the Supreme Court Orders or other legal and judicial processes - other than the 25 September Judgement - address the substantive issue in relation to the Marange Claims. To restate the position, the substantive issue is the upholding of ACR's rights and mining title at Marange. This was achieved comprehensively through the 25 September Judgement and, although subject to the Substantive Appeal to the Supreme Court, this judgement remains in force. Furthermore, immediate execution of the orders pursuant to the 25 September Judgement are still demanded.

The Company notes that the state owned Zimbabwe Mining Development Corporation ('ZMDC') has failed to vacate the Marange Claims in contravention of the 25 September Judgement and under a joint venture arrangement with a third party is continuing its efforts to exploit the diamond resources present at the Marange Claims. The Company has been legally advised that one of the effects of the Supreme Court Orders is that any diamonds being currently mined by third parties in joint venture with ZMDC must be handed over to the Reserve Bank of Zimbabwe for safe keeping.

The Company will continue to take all steps it can to protect its rights and to regain possession of the Marange Claims.

The Company remains firmly resolved to work with all elements of Government to achieve an outcome that shows respect for the law, respect for the courts and security for the substantial commitments made by international investors. The Company continues to endeavour to engage all offices of Government to reach a joint venture arrangement that will best serve the interests of Zimbabwe and its diamond sector.

Enquiries:

African Consolidated Resources plc
Andrew Cranswick +44 7920 189010
Roy Tucker +44 1622 816918 / +44 7920 189012

Ambrian Partners Limited
Richard Greenfield +44 20 7634 4700

[HUGÂ£1378772]

(END) Dow Jones Newswires

January 29, 2010 10:07 ET (15:07 GMT)