

**Company** African Consolidated Resources Plc  
**TIDM** AFCR  
**Headline** Gold Resource at Gadzema Project reaches 1 million ounces  
**Released** 07:00 04-Aug-2011  
**Number** HUG1536051

African Consolidated Resources plc / Ticker: AFCR / Index: AIM / Sector: Mining  
4 August 2011

**African Consolidated Resources plc ('ACR' or 'the Company')**  
**Gold Resource at Gadzema Project reaches 1 million ounces**

African Consolidated Resources Plc, the AIM listed southern African focused resource development company, is pleased to announce a JORC Compliant Resource upgrade on its Gadzema Gold Project in the northern midlands district of Zimbabwe ('Gadzema' or 'the Project').

**Highlights**

- Resource upgrade available for the final 8,000m of a total 13,000m drill programme completed in May 2011
- The Resource upgrade relates to drilling strike extensions on two zones covering approx 400m and 700m of strike within ACR's approx. 8km long Gadzema project
- This recent drilling has added 119,000oz to the Gadzema gold inventory
- The total Gadzema Resource now stands at 27Mt @ 1.2g/t for 1.03Moz at cutoff grades of 0.5-0.6 g/t, of which 276,000oz are in the Indicated category, and the remainder in the Inferred category
- The drilling programme identified multiple parallel shear zones, which in some areas coalesce into areas of semi-continuous mineralisation up to 600m wide demonstrating the strong potential for large scale open-pit mining

ACR commenced an intensive drilling programme at Gadzema in January 2011, using two Reverse Circulation ('RC') rigs on double shifts, and a diamond coring ('DC') drill rig. The programme, which covered approximately 13,000m, was completed in mid-May 2011.

The current study includes sample and assay data for the final 63 RC drill holes and one diamond core hole drilled by ACR, totaling 8,000m.

The drilling was carried out to test a sub-outcropping felsic intrusion where north trending thrusting has created large quartz-sulphide stockwork vein systems in the felsic porphyry, and in adjacent banded iron formations and talc schists. The two areas drilled were on east-west oriented drill traverses spaced at 80m northings and approximately 40m on section. All drill holes are angled steeply (~60 degrees) towards grid west, normal to the general strike of the gold mineralisation.

Drilling tested the mineralisation, which dips steeply to the east, to depths of approximately 100-120m vertically below surface. Assays were carried out at 1m intervals by Fire Assay method using ISO accredited laboratories in South Africa and Zimbabwe.

Significant intercepts from the above drilling are tabulated below;

Hole ID	From Depth m	To Depth m	Intercept m	Grade g/t
BRRC201	102	136	34	3.1
BRRC188	9	32	23	1.2
BRRC125	47	58	11	1.5
BRRC186	68	78	10	1
BRRC200	149	158	9	1.3
BRRC184	57	65	8	2.3

BRRC197	64	72	8	1.6
BRRC182	34	41	7	2.7
BRRC189	39	45	6	2.1
BRRC185	92	96	4	6.5
BRRC196	59	62	3	4.6
BRRC187	13	15	2	21.3
BRRC162	25	26	1	18.3

Table 1: Significant intercepts from recent RC drilling.

ACR's total gold Resources are tabulated below:

ACR JORC Gold Resources August 2011

	Oz	Grade	Tonnes	Cutoff g/t	JORC Category	Vertical Depth of Drilling
Peerless ACR drilling	210,000	1.4	4,600,000	0.5	Inferred	Av 100m; max 150m
Concession ACR drilling	240,000	1.5	4,800,000	0.5	Inferred	Av 100m; max 150m
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	
<b>Total Pickstone-Peerless Resource</b>	<b>513,000</b>	<b>1.5</b>	<b>10,566,000</b>			
<b>Gadzema Resource*</b>	<b>1,031,000</b>	<b>1.2</b>	<b>27,000,000</b>	0.5-0.6	Inferred-Indicated	Av 100m; max 150m
<i>*Includes Giant Mine and Blue Rock Resource</i>						
<b>TOTAL ALL1</b>	<b>1,544,000</b>	<b>1.3</b>	<b>37,566,000</b>		<b>Inferred, Measured</b>	<b>Av 100m-150m</b>

1 Excludes Giant Dump - to be JORC calculated

Table 2: Total gold Resource inventory

ACR Technical Director Michael Kellow said, "Reaching the 1 million ounce milestone at our Gadzema Gold Project is a significant step in our ongoing exploration of the belt where we now have significant intercepts on several zones over approximately 8km of strike length with potential open pit mining widths of up to 600m demonstrated.

"Following a successful fundraising last month for further exploration drilling, between 10,000 to 30,000m of drilling will be committed in the second half of 2011. This will explore strike extensions of known mineralisation and additional diamond core drilling will provide information on alteration, structure, mineralogy and rock mechanics as we advance our strategy of defining a total resource of 2 million ounces of gold at our Gadzema Gold Project by Q4 2012."

*The technical elements of this report have been reviewed by Mr. Michael Kellow (the Company's Technical Director). Michael Kellow (BSc) is a member of the Australian Institute of Geoscientists (AIG) and a full-time employee of African Consolidated Resources Plc. Mr. Kellow has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves" (JORC Code) and as a "qualified person" as defined in the AIM Note for Mining, Oil and Gas Companies. Michael Kellow consents to the publication of this report.*

**\*\*ENDS\*\***

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## Glossary

<b>Term</b>	<b>Explanation</b>	<b>Acronym</b>
Au	chemical symbol for gold	
banded iron-formation	chemical sedimentary rock consisting of iron and quartz	BIF
diamond drilling	Drilling method using a diamond-impregnated cutting bit to obtain a core sample of rock	
dip	the orientation of a planar geological feature relative to horizontal	
disseminated sulphide	Accumulations of sulphide minerals where the grains are not separated by other minerals and are not in physical contact with each other.	
fault	a fracture or break within a body of rock across which some movement has occurred	
felsite	silica rich igneous rock, aka felsic volcanic	
greenstone belt	belts of metamorphosed sedimentary and igneous rocks of Archaean age	
igneous rock	originally molten can be volcanic or intrusive	
JORC	Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy	
laterite	highly weathered rock usually conforms to a consistent weathering pattern from surface and often redistributes gold, nickel or aluminium to ore grade concentrations above the primary source at depth.	
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	
pyrite	iron sulphide mineral often associated with gold	
pyrrhotite	iron sulphide mineral	
quartz	silicon oxide mineral very common in hydrothermal deposits	
resource	mineral resource as defined by the JORC Code 2004	
reverse circulation drilling	rotary percussion drilling whereby the sample is returned from the cutting head inside the rod string to surface thereby avoiding contamination from the walls of the hole	RC
schist	metamorphic rock with well developed foliation	
stockworks	zone of multiple quartz filled fractures with individual veins often of random orientation	
strike	the horizontal orientation of a planar geological feature	
talc	magnesium iron silicate mica of metamorphic origin	
thrust	shallow dipping fault where the upper body of rock overrides the lower portion	
 <b>UNITS</b>		
g	gramme	
g/t	grammes per metric tonne - metal concentration	
km	kilometre	
m	metre	
Mt	million metric tonnes	
Moz	million ounces	
oz	fine troy ounce equaling 31.1048 grammes - normal unit used in selling gold	
ppb	parts per billion	
ppm	parts per million, equivalent to g/t	
t	metric tonne	

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HUG#1536051*