

African Consolidated Resources plc ('ACR' or 'the Company')
Initial Exploration Returns High Grade Rare Earth Elements at Nkombwa Project

African Consolidated Resources plc, the AIM listed southern African focussed resource development company, is pleased to announce results from a preliminary exploration sampling programme at the Nkombwa Project in Zambia ('Nkombwa' or 'the Project'), which has demonstrated high grade rare earth element ('REE') mineralisation. This exploration programme is being conducted and financed by ACR's joint venture partners ASX-listed Southern Crown Resources Limited (following its acquisition of Rare Earth International Limited ('REI')). As more fully explained in the Company's announcement of 11 June 2010, REI has the right to earn a 50% equity interest in the Nkombwa Hill project in exchange for a minimum spend of US\$1,350,000 in order to define an Indicated JORC Resource. Thereafter, ACR may elect to share expenditure equally with REI and maintain a 50% interest. In the absence of such an election, REI may obtain a 75% interest by funding a Bankable Feasibility Study.

ACR Chairman Roy Tucker said, "These results further underpin the prospectivity of the Nkombwa Project, and the significant proportion of high-grade mineralisation, including the identification of the highest-grade sample yet found at Nkombwa, gives solid credence for further exploration on the Project area. This sampling programme also succeeded in identifying the western and southern quadrants of Nkombwa Hill as particularly prospective, and these have been deemed as high priority areas for further detailed mapping and sampling, with the objective of delineating targets for exploration drilling."

To view a full version of the Southern Crown Resources Limited announcement, which includes the figures referenced below, please visit www.southerncrown.com.au.

Southern Crown Resources Limited announcement:

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Grid Sampling Returns Grades of up to 22.09% TREO

Highlights

- **Preliminary grid sampling at the Nkombwa REE Project in Zambia has returned a significant proportion of highly mineralised samples.**
- **Initial grid based rock sampling program comprising 259 samples:**

- **10 samples had Total Rare Earth Oxides (TREO) over 5%, with a maximum of 22.09%, the highest concentration yet found in an exploration sample at the Nkombwa Project;**
 - **29 samples had TREO concentrations in excess of 2% with other highly significant values of 11.18%, 13.09% and 13.47% also returned.**
- **Anomaly open to the west of the sample area requires further investigation below shallow cover.**
 - **A program of detailed mapping and sampling aimed at delineating targets for exploration drilling is planned to commence next month.**

Nkombwa Project, Zambia

Situated in the north-eastern part of Zambia, (Figure 1), is one of two rare earth element (REE) projects to be held by Southern Crown Resources (Southern Crown) (ASX code: **SWR**) following the acquisition of Rare Earth International (REI). The Nkombwa project is a joint venture with African Consolidated Resource plc (“ACR”) under which Southern Crown can achieve a 75% interest in the REE by fully funding a bankable feasibility study.

While the Nkombwa carbonatite has been previously explored for phosphate and niobium, little attention has been focussed on the REE potential of the complex.

Preliminary Exploration Sampling Program

In November 2010, REI completed a preliminary sampling program over the area of outcrop of the carbonatite in which kilogram-sized rock samples were collected systematically over a 100m by 50m grid; producing 259 samples of which 178 were *in situ* from outcrop, the remaining 81 from loose rock (scree) close to outcrop. At the same time, radiometric measurements were collected using a gamma-ray spectrometer at points at a 100m by 25m spacing.

Final assay results on the rock samples have been received and are extremely encouraging. The highest grade sample – an outcrop sampled collected towards the northern end of the hill crest – contains 22.09% total rare earths (lanthanides plus Y as oxide: “TREO”). More than 10% of the grid samples returned TREO concentrations in excess of 2% while 10 samples had TREO concentrations of over 5%. Full REE assay results for all samples having over 2% TREO are presented in Table 2. The distribution of REE values in the complete suite of samples is summarised on the map of Nkombwa hill in Figure 2. Also shown on the map are three areas of anomalous Thorium (Th) radiation (higher than 100ppm equivalent Th) identified by the ground radiometric survey.

Several high TREO samples cluster along a zone at the base of Nkombwa Hill along the north-west contact of the carbonatite intrusion – these are all scree samples and not in situ suggesting the presence of an area enriched in REE on the adjacent slope. A substantial proportion of the samples from the southern and south-eastern sides of Nkombwa Hill have TREO above 2-5% and the radiometric measurements reveal a well-defined Th anomaly in this area. The area lies at the opposite end of the complex from the drilling that took place in 1965/6 that returned the previously reported highly encouraging results presented in Table 1.

Hole	Northing	Easting	Azimuth	Dip	From	To	Width	TREO%
			(deg)	(deg)	metres	metres	metres	
NB-1	8878565	483200	180	-45	69.68	75.9	6.22	7.98%
					84.56	85.5	0.94	7.58%
					183.49	185.6	2.11	7.78%
					398.9	402.8	3.9	2.59%
NB-2	8878622	483200	180	-60	298.3	302.4	4.1	5.47%
					377.2	380.06	2.86	6.37%

Table 1: REE Mineralised zones from boreholes NB-1 and NB-2 drilled in 1965/66 by Roan Selection Trust

Coordinates are UTM Zone36S, 1950 Arc

Widths are downhole intervals

%TREO is percentage of total rare earth oxides including yttrium

Samples analysed by Genalysis Perth, November 2010

Conclusions

Southern Crown is extremely encouraged by the results achieved from the preliminary exploration sampling program. Four of the rock samples had TREO in excess of 10% while the TREO concentration in the most enriched sample is the highest yet found at Nkombwa. Despite the relatively coarse spacing of the sampling grid, and the restricted coverage of the radiometric survey, the sampling program succeeded in identifying the western and southern quadrants of Nkombwa Hill as particularly prospective areas.

Further Work

A program of detailed geological mapping and outcrop sampling, supported by closer spaced ground radiometric measurements, is planned to assess the nature and extent of the mineralised carbonatite units identified by the preliminary exploration. At the same time, the potential for REE mineralisation in the soils that surround Nkombwa Hill will be assessed using a series of pits.

Results from this program are expected in the third quarter and will be used to design a program of combined RC and diamond-core exploration drilling to start later in the year.

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About Southern Crown Resources Limited

Southern Crown Resources Limited, named after a prominent arc constellation in the Southern Hemisphere, listed on the ASX on 2 December 2010 with approximately 29.5 million shares on issue.

Southern Crown was formed with the purpose of acquiring, exploring and developing mineral deposits and on 20 December 2010 entered into an agreement to acquire Rare Earth International which is developing the Nkombwa and Xiluvo projects located in Zambia and Mozambique respectively and has an application over a third project in Burundi. On 5 May 2011 the Southern Crown shareholders voted in favour of the acquisition of Rare Earth International.

The Company continues to evaluate additional mineral projects considered likely to add value to shareholders.

The Board of Directors has a strong mix of technical, financial and corporate skills to successfully explore the Company's existing projects as well as source and develop further acquisition opportunities globally.

Sample	X	Y	Type	TREO+Y %	La ₂ O ₃	Ce ₂ O ₃	Pr ₆ O ₁₁	Nd ₂ O ₃	Sm ₂ O ₃
NK05025	483 300	8 878 149	outcrop	22.09	5.04	11.19	1.30	4.13	0.29
NK01017	482 900	8 877 745	scree	13.47	4.67	6.61	0.55	1.52	0.08
NK01022	482 896	8 878 002	scree	13.09	4.33	6.60	0.55	1.52	0.07
NK01024	482 890	8 878 106	scree	11.18	4.17	5.40	0.42	1.10	0.06
NK06010	483 408	8 877 392	outcrop	9.22	2.87	4.54	0.44	1.24	0.08
NK01020	482 898	8 877 903	scree	8.38	2.54	4.21	0.38	1.15	0.07
NK05015	483 303	8 877 649	outcrop	7.33	2.06	3.69	0.37	1.10	0.07
NK07016	483 501	8 877 701	outcrop	7.31	2.05	3.71	0.37	1.08	0.07
NK04006	483 200	8 877 201	scree	6.13	2.38	2.92	0.22	0.56	0.03

NK06006	483 401	8 877 201	outcrop	5.16	1.97	2.45	0.20	0.50	0.03
NK06003	483 399	8 877 046	scree	4.98	1.95	2.35	0.19	0.46	0.02
NK07024	483 504	8 878 101	outcrop	4.58	1.34	2.28	0.22	0.64	0.05
NK01025	482 903	8 878 154	scree	4.54	1.70	2.20	0.17	0.43	0.02
NK02018	483 003	8 877 791	outcrop	4.42	1.41	2.20	0.19	0.57	0.04
NK01019	482 905	8 877 864	outcrop	4.15	1.26	2.09	0.19	0.57	0.03
NK01014	482 900	8 877 602	scree	3.90	0.94	1.96	0.21	0.71	0.06
NK09003	483 703	8 877 051	outcrop	3.85	1.49	1.83	0.14	0.34	0.02
NK02003	482 999	8 877 050	scree	3.74	1.03	1.88	0.18	0.58	0.04
NK06018	483 403	8 877 800	outcrop	3.48	1.00	1.74	0.17	0.51	0.03
NK06001	483 399	8 876 950	scree	3.14	1.25	1.47	0.12	0.28	0.02
NK10003	483 801	8 877 046	outcrop	2.93	1.20	1.34	0.10	0.25	0.02
NK04015	483 199	8 877 653	scree	2.91	0.93	1.42	0.13	0.39	0.03
NK06015	483 404	8 877 650	outcrop	2.74	0.68	1.37	0.15	0.49	0.04
NK09008	483 698	8 877 304	outcrop	2.66	1.07	1.25	0.09	0.22	0.01
NK03015	483 101	8 877 652	scree	2.61	0.71	1.32	0.13	0.41	0.03
NK06014	483 402	8 877 599	outcrop	2.39	0.66	1.21	0.13	0.37	0.03
NK10009	483 805	8 877 352	outcrop	2.29	0.81	1.11	0.10	0.25	0.02
NK06005	483 399	8 877 152	outcrop	2.07	0.76	0.98	0.08	0.21	0.01
NK10013	483 799	8 877 550	outcrop	2.04	0.85	0.95	0.07	0.16	0.01

Sample	Eu ₂ O ₃	Gd ₂ O ₃	Tb ₂ O ₃	Dy ₂ O ₃	HO ₂ O ₃	Er ₂ O ₃	Tm ₂ O ₃	Yb ₂ O ₃	Lu ₂ O ₃	Y ₂ O ₃
NK05025	0.046	0.059	0.002	0.008	0.001		0.000		0.000	0.022
NK01017	0.013	0.015	0.000	0.002	0.000		0.000		0.000	0.005
NK01022	0.011	0.009		0.002	0.000		0.000		0.000	0.003
NK01024	0.009	0.010	0.000	0.002	0.000		0.000		0.000	0.005
NK06010	0.014	0.023	0.001	0.004	0.000		0.000		0.000	0.007
NK01020	0.011	0.013	0.000	0.002	0.000		0.000		0.000	0.005
NK05015	0.012	0.017	0.001	0.002	0.000	0.000	0.000		0.000	0.006
NK07016	0.012	0.018	0.001	0.003	0.000	0.000	0.000		0.000	0.007
NK04006	0.005	0.007	0.000	0.002	0.000		0.000		0.000	0.003
NK06006	0.005	0.008	0.000	0.002	0.000	0.000	0.000		0.000	0.003
NK06003	0.004	0.005	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.002
NK07024	0.011	0.021	0.001	0.004	0.000	0.000	0.000	0.000	0.000	0.007
NK01025	0.003	0.003		0.001	0.000		0.000		0.000	0.002
NK02018	0.006	0.008	0.000	0.001	0.000		0.000		0.000	0.003
NK01019	0.005	0.006	0.000	0.001	0.000		0.000		0.000	0.002
NK01014	0.009	0.013	0.000	0.001	0.000		0.000		0.000	0.003
NK09003	0.004	0.007	0.001	0.004	0.001	0.001	0.000	0.000	0.000	0.013
NK02003	0.007	0.008	0.000	0.002	0.000	0.000	0.000		0.000	0.005
NK06018	0.005	0.007	0.000	0.001	0.000		0.000		0.000	0.002
NK06001	0.002	0.004	0.000	0.001	0.000	0.000	0.000		0.000	0.002
NK10003	0.003	0.006	0.001	0.002	0.000	0.000	0.000	0.000		0.004
NK04015	0.005	0.007	0.000	0.001	0.000		0.000		0.000	0.003
NK06015	0.006	0.009	0.000	0.001	0.000	0.000	0.000			0.002
NK09008	0.003	0.007	0.001	0.003	0.000	0.001	0.000	0.000	0.000	0.009
NK03015	0.005	0.006	0.000	0.001	0.000		0.000		0.000	0.002
NK06014	0.004	0.006	0.000	0.001	0.000	0.000	0.000			0.002
NK10009	0.003	0.005	0.000	0.001	0.000	0.000	0.000	0.000		0.004
NK06005	0.002	0.005	0.000	0.002	0.000	0.001	0.000	0.000	0.000	0.007

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Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral resources and/or Ore Reserves is based on information provided by Dr R.E. "Jock" Harmer, PrSciNat, FGSSA and compiled by Dr Harmer and and Mr R Grivas, MAIG , MAusIMM, for Southern Crown Resources Limited and 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.