

Company African Consolidated Resources Plc
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**African Consolidated Resources plc ('ACR' or the 'Company')
Nkombwa Hills Update**

African Consolidated Resources plc, the AIM listed resource and development company focused on Southern Africa, announces that it has received information that the portion of its Nkombwa Hills exploration licence in Zambia, which covers the Nkombwa Rare Earths Project (the 'Nkombwa Project'), may have been improperly excised to another party without its knowledge or consent. As a result, Southern Crown Resources Limited ('Southern Crown'), ACR's joint venture partner, has suspended exploration on the Nkombwa Project until the matter is resolved.

As announced on 11 June 2010, Southern Crown has the right to earn a 50% equity interest in the Nkombwa Project in exchange for a minimum spend of US\$1.35 million in order to define an Indicated JORC Resource. Thereafter, ACR may elect to share expenditure equally with Southern Crown and maintain a 50% interest.

ACR has stated that it believes it has strong legal grounds for the excision to be cancelled and is seeking full rectification of its right with the assistance of the Zambian Mines Department. The Company will continue to provide updates on the matter as and when further information becomes available.

****ENDS****

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

Roy Tucker African Consolidated Resources plc +44 (0) 1622 816918

+44 (0) 7920 189012

Andrew Godber Panmure Gordon (UK) Limited +44 (0) 207 459 3600

Callum Stewart Panmure Gordon (UK) Limited +44 (0) 207 459 3600

Abhishek Majumdar Panmure Gordon (UK) Limited +44 (0) 207 459 3600

Susie Geliher St Brides Media & Finance Ltd +44 (0) 20 7236 1177

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