

Regulatory Announcement

Company [Pangea DiamondFields PLC](#)
TIDM PDF
Headline Exploration Update
Released 10:36 22-Nov-07
Number 2745I



RNS Number:2745I
Pangea DiamondFields PLC
22 November 2007

22 November 2007

Pangea DiamondFields plc
("PDF" or "the Company")

Company Activity and Exploration Update

Pangea Diamondfields plc (AIM: PDF), the mid-tier diamond producer and exploration company provides the following update of its activities to date. The Company's portfolio now consists of ten projects located in the Central African Republic ("CAR"), Democratic Republic of the Congo ("DRC"), Angola and South Africa.

HIGHLIGHTS

- CAR - Decision made to upscale to Pilot Mining at Dimbi
- DRC - Bulk sampling plant road convoy crosses border into the DRC. Commissioning expected on site at Longatshimo River by January 2008
- Angola - Negotiations with Casanguidi partners in progress re upgrading of mine to commercial scale.
- South Africa - Sample processing continuing at Patsema. Bulk sampling to recommence at Hartz river in 2008 at both Brussels and Pampierstat sites.

Chief Executive Officer, Rob Still stated, "The decision to progress our Dimbi project to the Pilot Mining stage as well as the progress being made in the South African and DRC projects are encouraging. In particular the commencement of delivery of bulk sampling equipment to the Longatshimo River project site in the DRC via a 4700 km overland road convoy is a testament to the persistence, dedication and expertise of Pangea's engineering team. We expect to complete delivery of this equipment within the next few weeks. The new access road and border post with Angola creates a critical logistics corridor into the southern DRC to service our projects there. We continue to focus our energies primarily on the development of our current projects while continuing to pursue and review the potential of other complementary opportunities."

Company activity update

Road Show - London and Toronto

Executive members of the PDF Board recently undertook a Road Show outlining current activities to investors in London and Toronto. A copy of the Road Show presentation was released on the PDF website on 6 November.

Exploration update

CAR

Dimbi Project

Bulk sampling

Bulk sampling activities are progressing well with a focus moving towards the acceleration of resource generation in both Paleo Kotto and Tributary style resource areas, in line with objectives to upgrade operations in 2008 to commercial scale.

As part of this acceleration, a decision has been made to invest a further USD1.5 million to increase the earthmoving fleet at Dimbi, essentially upscaling this project to what PDF would term Pilot Mining. It is anticipated that the impact of this new equipment will be seen on site early in Q1 2008.

To date a valuation parcel of approximately 3,700 carats has been successfully exported from the Dimbi Project and are being secured in Antwerp. Marketing strategies for the parcel are currently under consideration and a final sale may be deferred until the parcel exceeds 5000ct.

Ongoing exploration

Exploration continues on the 1,000 km² Dimbi Diamond Project using the tractor-mounted auger drill as well as local labour to assist in pitting activities further afield from the bulk sampling activities.

Etoile Project

Field camps in new licence areas are currently being established and reconnaissance exploration has commenced with newly recruited geological staff.

DRC

The Tshikapa project in particular has grown significantly with the acquisition from various parties of five new licence areas contiguous with the existing ones along the Tshikapa and Longatshimo Rivers which were selected due to their location and excellent potential to host large diamond resources. Further negotiations are underway to acquire more properties adjacent to existing exploration areas held. Due to this expansion and increase in activities the Tshikapa Project has reached such a critical mass that it has now been split into two projects, the Tshikapa River Project and the Longatshimo River Project.

Tshikapa River Project

This project includes seven licence areas along the Tshikapa River from 20km south of the town of Tshikapa. Exploration has concentrated on the Mvula Milenge area of the project area where more than 120 small pits and 25 large pits have been dug by hand to determine vertical and lateral gravel distribution and diamond grade. The recent arrival on site of a tractor mounted auger will significantly enhance evaluation.

Longatshimo River Project

Exploration has continued throughout 2007 confirming resources previously announced. The project now includes six licence areas and exploration has commenced on the two newly acquired ones. More than 150 small pits have been dug at 100m x 50m intervals over areas identified for bulk sampling in order to acquire a better understanding of geology and grade distribution over selected optimal sites. The arrival of earthmoving equipment on site is allowing the excavation of large samples to be jig-tested prior to the arrival of bulk sampling processing equipment.

A decision was made to ship the plant and equipment for bulk sampling activities

at Longatshimo on a 4,700 km overland road journey following the successful arrival of a lead truck in July. The main convoy consisting of some 18 separate vehicles finally departed South Africa at the end of August.

Despite a number of challenges which have slowed the progress of the main convoy to site, PDF are pleased with what has been achieved so far. Apart from the usual and anticipated delays due to inclement weather and poor road surface conditions associated with the rainy season, one unforeseen obstacle has been the temporary closure of the Angola/DRC border as a precautionary measure due to an apparent Ebola virus outbreak in central DRC. This has delayed the convoy for several weeks in northern Angola. However a special dispensation has now been granted for equipment alone to cross the border and this process is now in progress. The plant and equipment should be on site and ready for construction late in Q4, with commissioning anticipated early in Q1 2008.

Other DRC projects

Reconnaissance exploration on other properties is in progress.

ANGOLA

Project Cassanguidi

Despite having increased processing capacity available for Pilot Mining activities with the commissioning of an additional 16 foot pan as well as the recent arrival of a replacement scrubber shell on the DRC convoy, major breakdowns on key earthmoving equipment have adversely affected production during the quarter. Poor response times by equipment suppliers on spares availability has further exacerbated the situation, however replacement spares have been air-freighted to site and the hydraulic excavators critical for overburden stripping have now been re-commissioned.

It is anticipated that additional capital investment will be required in fleet capacity to bring Cassanguidi up to a scale of operations which is likely to be sustainable in the longer term.

Technical scoping studies and negotiations with the relevant stakeholders in the project are ongoing with a view to agreeing on a strategy for expanding the project during Q1 2008.

SOUTH AFRICA

Bakerville Project areas

- Patsema

The Bauer BG36 large diameter drilling programme was successfully completed with a total of 19 2.50 metre diameter holes being drilled into the identified pothole structures. The bulk sampling plant from Malmani was successfully relocated and commissioned on site at Patsema and processing is currently in progress. The Company expects to announce results of the bulk sampling exercise by the end of Q4 2007.

- Geluksdal

Processing of the samples generated by the large diameter drilling programme is still in progress and results are expected by the end of Q4 2007.

Harts River Project

- Brussels Block

Bulk sampling activities are expected to re-commence in Q1 2008 with a new contract operator and it is hoped to trial a mechanised Surface Mining machine early in the new year. Observations of this machine in similar applications on a mine in the Middle Orange area have been very encouraging.

- Pampierstad Block

Following the drilling and trenching exercise recently completed on the Pampierstad Block a site has been selected for initial bulk sampling and a decision has been made to relocate the bulk sampling plant from the Bakerville project during Q1 2008. Suitable earthmoving equipment is currently being sourced to remove the dependence on contract earthmoving operators and it is anticipated that bulk sampling will be in progress by late in Q1 2008..

Bloemhof Project

Final arrangements for a contract miner to commence bulk sampling at Zoutpan Noord are in progress. Permission has been obtained from surface owners to commence drilling on the Migdol and Palmietfontein Blocks.

CASH RESOURCES

At the end of October 2007, the Company had US\$8.00 million of cash resources on hand, which is substantially more than the cash balance in the working capital forecast for that date as prepared for the Company's Admission to AIM in October 2006.

Note: The information in this statement has been reviewed by Mr Brett Thompson, B Eng (Mining), FSAIMM, MAusIMM, and Mr Anton Esterhuizen B Sc (Geology), MSc (Mineral Exploration), FGSSA, MSME who are qualified persons for the purposes of the AIM Guidance Note for Mining, Oil and Gas Companies. Mr. Thompson is Chief Operating Officer of Pangea DiamondFields plc and has over 20 years experience in mining operations with over 10 years specifically in diamond mining and exploration. Mr Anton Esterhuizen is Chief Exploration Officer of Pangea DiamondFields plc and has over 30 years experience in exploration activities throughout the world and has been the recipient of numerous awards for his exploration successes.

Further Information:

Pangea DiamondFields plc	Ambrian Partners Limited	Parkgreen Communications
Rob Still (CEO)	Richard Brown	Justine Howarth
T: +27 11 438 4100	T: +44 (0) 20 7776 6400	T: +44 (0) 20 7851 7480
Rehana Mahomed (Investor relations)		
T: +27 11 4384112		
M: +27 82 303 6677		

Notes to Editors:

About Pangea Diamondfields PLC

Pangea DiamondFields plc (AIM: PDF) is a mid-tier diamond producer and exploration company with a portfolio of ten projects each with multiple resource targets, located in the Central African Republic, Democratic Republic of the Congo, South Africa and Angola. The Company's aim is to minimise risk by diversifying its projects geographically.

PDF's projects are located within highly prospective diamond geological environments. One project has advanced to pilot mining, three to bulk sampling, with the target of seven by year end. At present the remaining projects are at differing stages of exploration.

PDF listed on AIM in October 2006.

For more information on PDF, please visit: www.pangeadiamondfields.com/

This information is provided by RNS
The company news service from the London Stock Exchange

END