

Regulatory Announcement

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

Exploration Update: Q1:07

Pangea Diamondfields plc (AIM: PDF), the mid-tier diamond producer and exploration company releases its exploration update for Q1 2007. The company's portfolio to date consists of eight projects, comprising of 24 distinct resource target areas, located in the Central African Republic ("CAR"), Democratic Republic of the Congo ("DRC"), South Africa and Angola.

Central African Republic - Dimbi Project

Following the commissioning of the bulk sample plant at the Dimbi Project in January, bulk sampling activities are now well underway with diamonds being recovered towards the development of a sale parcel for valuation purposes. Bulk sampling is concentrating on the paleo-Kotto River deposits close to the camp site.

Ongoing exploration

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

Near-surface and highly weathered samples taken from a discovery in the south of the concession in December 2006, have been analysed by independent laboratories as "mantle-derived" source rocks, believed to be either a kimberlite or a lamproite. Similar weathered, green, apparently mantle-derived rocks have also been recently discovered in the footwall of current bulk sampling activities some 30km from the original discovery.

These apparently "mantle-derived" source rocks are considered highly prospective and an exploration programme is underway to map, analyse and ultimately sample and if justified, drill these occurrences.

Despite having been a significant producer of diamonds for many years, it is noteworthy that no diamond-bearing source rocks have been discovered in the CAR to date.

New concession areas

Three additional concession areas are currently in advanced stages of negotiation and announcements are expected in due course on these additional properties.

Democratic Republic of Congo

Two exploration teams are continuing the pitting of gravels on the Tshikapa Project to expand and refine the diamondiferous gravel resource. A permanent camp is being established close to the Longatshimo River at the site selected for the initial bulk sampling.

The major components for the bulk sampling plant are currently being constructed in South Africa and it is anticipated that all plant components and earthmoving equipment required to establish the plant, will be completed and ready for shipment by late April. The logistics of moving the plant and equipment to site are currently being investigated and it is expected that shipping will commence early in May. PDF is still optimistic that the plant can be constructed and commissioned by early Q3 2007.

Reconnaissance exploration has commenced on the Kasai River Project where an additional exploration licence has been added to the existing portfolio.

South Africa

Bakerville Project

Patsema Sub-Area

Drilling on the Zamenkomst farm in the Patsema project area is progressing well with 405 shallow holes having been drilled to date. Four distinct pothole structures have been delineated containing significant gravel resources. At present, less than 10% of the Patsema project area has been investigated in detail.

Malmani Sub-Area

Despite very hard calcretes being encountered in the excavation of the Stiglingspan bulk sampling pit in the Malmani area, this work is progressing well and gravels are still expected to be exposed and processed during Q2 2007.

Excavation of the Driehoek bulk sampling pit also in the Malmani project area is progressing well and gravels have been exposed and will be processed during Q2 2007.

Phase 1 drilling on the Geluksdal kimberlite target area has yielded a large pothole structure containing significant gravel resources. The percussion drilling technique utilized in this phase of the drilling was not able to penetrate the gravels to investigate the kimberlite potential of this target and reverse circulation drilling will be utilized in a Phase 2 drilling campaign on this project, expected to commence during April 2007.

With the development of significant additional resources in the Bakerville project areas, PDF management have decided to supplement the use of contractors to bulk sample gravels encountered with the introduction of new processing facility. This facility, with a mobile 20 ton per hour Dense Medium Separation plant at its core, represents an expected capital investment of around USD0.4 million and is expected to be operational and deployed at the Stiglingspan sample site by late April.

Harts River Project

Phase 2 bulk sampling on the Brussels farm in the Harts River project area has recently recommenced. The objective of this phase is to confirm a geological re-interpretation of the geology of the area and identify a higher grade gravel package also containing large stones as recovered in Phase 1. Results from this exercise are expected in Q3 2007.

Bloemhof Project

Exploration has commenced on the Zoutpan Noord block where 34 boreholes were drilled indicating the presence of an extensive paleo-gravel channel beneath a calcrete cap. The gravel bed has been exposed by trenching at shallow depths ranging from 3 to 8m deep. Exploration will continue until a decision can be made to continue to the bulk sampling stage.

Angola

Projecto Cassanguidi

Pilot mining operations continue at Cassanguidi with record production of 3,325 carats and 4,028 carats in February and March respectively.

Exploration activities have been stepped up with the introduction of a tractor mounted auger drill as well as the short-term deployment of an additional specialist geologist during the quarter. Encouraging results continue to be achieved in this programme and the company is confident of significant expansion opportunities at Cassanguidi.

Discussions are continuing to establish more market-related selling arrangements for Cassanguidi production. Once this is resolved consideration will be given to investing the required capital to upgrade this project from pilot to mine status.

Projecto Lumuanza

As previously announced the Company has made a decision to cease funding the Lumuanza project. Advanced discussions are ongoing to sell PDF's share in the project to the existing partners

Cash resources

At the date hereof, the Company had US\$21.75 million of cash resources on hand, US\$4.35 million more than the working capital forecast at the end of March 2007 as prepared for the company's Admission to AIM in October 2006.

Chief Executive Officer, Rob Still stated, "We are very pleased with the progress to date and are extremely enthusiastic about the green "mantle-derived" rocks discovered at Dimbi although investigations thereof remain at a very early stage. Exploration is progressing well at all projects, especially at Bakerville in South Africa and we have spent a lot of effort establishing infrastructure in DRC."

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Notes to Editors:

About Pangea Diamondfields PLC

Pangea Diamondfields plc (AIM: PDF) is a mid-tier diamond producer and exploration company with an initial portfolio of eight projects, comprising of 24 distinct resource target areas, 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.

Exploration results to date remain positive, 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 successfully listed on AIM in October 2006.

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

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