

## Regulatory Story

**Company** [Pangea DiamondFields PLC](#)  
**TIDM** PDF  
**Headline** Operational Update  
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Pangea DiamondFields PLC  
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### **Pangea DiamondFields plc**

**('Pangea' or the 'Company')**

#### **Operational Update**

Pangea DiamondFields plc (AIM: PDF), the diamond producer and exploration company, announces that the upgrade of processing facilities at the Company's Cassanguidi project in Angola is now complete.

The Interim Results announcement of 29 September projected a processing level expected to be around 37,500 m<sup>3</sup> of in situ gravel mined and processed per month, producing around 8,000 carats per month. With the upgrade of the processing plant now complete, management has taken the opportunity to reassess these targets and the Cassanguidi operation will now work to ramp up production in the first quarter of 2010 to a revised target of 6,000 carats per month based on the plant processing approximately 30,000 m<sup>3</sup> of in situ gravels. Cash costs at steady state production levels are expected to be between US\$ 16.00 and US\$ 18.00 per m<sup>3</sup> of in situ gravel mined and processed. The ramp up to production will commence when seasonal rains abate in the New Year. Additional earthmoving equipment is being relocated from our South African operations to Cassanguidi early in 2010 to coincide with the expected improvement in weather and to augment the fleet currently on the ground.

December's production has been negatively impacted by logistical challenges and breakdowns with the project's primary excavators which are in the process of being resolved. This is likely to hamper production in January ahead of the next expected diamond sale in late January 2010. Notwithstanding the shareholder loan announced on 10 December 2009, the Company continues to be reliant as going concern on the Cassanguidi production scaling up without delay and being able to source additional bridging funding if that proves not to be the case.

Chief Executive Boris Kamstra said, "Cassanguidi target production at current prices will put the Company in a cash positive position. At that point, we intend to assess our portfolio of projects against an expected improvement in rough diamond prices and revise our strategy accordingly, including a review of the financing options required to achieve the Company's strategic plans. This process will begin early in 2010."

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Notes to Editors:

### **About Pangea Diamondfields PLC**

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

PDF listed on AIM in October 2006 and is led by a strong management team, with a track record for creating shareholder value in mineral exploration.

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

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