

Regulatory Story

Company [Pangea DiamondFields PLC](#)
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Headline Update on Purchase of Equipment at Cassanguidi
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**Pangea DiamondFields plc
("PDF" or "the Company")**

Update on Purchase of Equipment at Cassanguidi

Pangea Diamondfields plc (AIM: PDF), the mid-tier diamond producer and exploration company provides the following update on its previously announced transaction to purchase mining and processing equipment for use at its Cassanguidi project in Angola from New Millennium Resources ("NMR"). The Company's portfolio consists of seven projects located in the Central African Republic ("CAR"), Democratic Republic of the Congo ("DRC"), Angola and South Africa.

On 10 August 2009, PDF reported that it had concluded a transaction to acquire certain mining equipment and processing assets from NMR, for use at its Cassanguidi project in Angola, for total cash and share consideration of \$600,000. As reported in the interim financial statements on 29 September 2009, the essential equipment has now been relocated to Cassanguidi and is already in use, whilst the purchase and relocation of equipment now considered unnecessary, has been terminated.

PDF has successfully concluded a renegotiated agreement with NMR reflecting only the value of equipment purchased. Under this agreement, PDF has paid the sum of US\$200,000 to NMR and has issued 2,500,000 new PDF ordinary shares ('Shares') to NMR as full and final settlement of consideration for the purchase. This cash and shares payment represents total consideration of approximately US\$265,000 (at current prevailing exchange rates and share price). This is significantly less than the estimated cost of the equipment if it was purchased in South Africa and also delivers efficiencies in terms of lower transportation costs.

Application for the admission of 2,500,000 Shares to trading on the AIM Market of the London Stock Exchange ('Admission') has been made and Admission is expected to occur at 8.00 a.m. on 9 October 2009. Following Admission the Company will have 1,783,826,082 Shares in issue.

Commenting on this development, Chief Executive Brett Thompson stated, "The key challenges at Cassanguidi were specifically the earthmoving fleet. The specific equipment finally acquired from NMR has resolved this issue without expending additional capital on the purchase of unnecessary assets. This acquisition will underpin continued progress at Cassanguidi as well as demonstrating once again, the ability of PDF to identify and unlock value opportunities in the regions in which it operates."

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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 seven 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/>

This information is provided by RNS
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