



Lisungwe plc – Nickel exploration update 21 April 2008

The appointment of SRK Consulting and commissioning of a major drilling programme.

Lisungwe plc, the PLUS–quoted mineral exploration company with operations in Malawi, is pleased to announce the appointment of SRK Consulting (SRK), the internationally recognised independent mining consultancy group, to review the results of the Company’s exploration activity on its nickel project at Chimimbe Hill and to advise it on the quality controls necessary for the definition of a recognised resource and a bankable database.

Following a preliminary fact-finding visit in March, SRK made a number of observations and recommendations noting that the work by Lisungwe to date had been carried out in a professional manner. In particular SRK:

- estimated that the deposit contains a non-compliant resource of approximately 2,600 tonnes of nickel metal per vertical metre;
- stated that the depth of mineralisation intersected by the drilling carried out in December 2007 gives a non-compliant estimated potential to a ten metre depth of 26,000 tonnes of contained nickel to be achieved with further drilling;
- observed that the comparison of results from the Niton XRF and wet chemistry analyses on drill samples show a good correspondence for all values having a small bias, with the wet chemistry results showing higher values;
- noted that to achieve compliant resource status further confirmatory wet chemical analyses and the completion of metallurgical extraction tests are necessary;
- recommended a drilling programme consisting of an initial square grid of 80 metres followed by an infill to 40 metres if required with an estimated total of over 4,000 metres of drilling.

The Lisungwe response to the recommendations is:

- The wet chemistry analyses are being undertaken.
- The metallurgical extraction tests are advanced; the results will be announced when available.
- A drilling programme is expected to commence during May 2008 when a further announcement will be made.

At the current 3 month price of USD28,800, the contained nickel estimated would have an approximate value, before production costs, of USD750,000,000.

The Directors of Lisungwe plc accept responsibility for this announcement.

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