

RNS Number:4200T
African Eagle Resources PLC
30 April 2008

African Eagle Resources plc
Mkushi Project Update

- ? Mkushi feasibility study on track
- ? Full mining licence application submitted
- ? New drill results from the Munshiwemba Zone include 1.75% copper over 26m, 4.65% over 8m and 2.71% over 9m
- ? AFE's exploration discovery at Munda should add significantly to overall resource
- ? Production from this project could begin in 2010

African Eagle Resources plc ("African Eagle" or "the Company", ticker AIM: AFE, AltX: AEA) announces that its joint venture (JV) partner CGA Mining today issued a report containing new drill data for the Mkushi Project and a summary of progress towards the feasibility study (FS).

African Eagle's MD Mark Parker comments "The Mkushi project remains on track for completion of the FS at the end of October. The JV's recent application for a full mining licence is a major step on the road to production and we believe that the additional mineralisation over 2km strike length which has been revealed at Munda by African Eagle's exploration effort will add significantly to the overall resource".

CGA reports that good progress is being made on the various components of the FS, which is on track for completion in the last quarter of 2008. An application for a Mining Licence over the Mkushi deposit and adjacent prospects with resource potential was submitted during February 2008.

Drill results received during the quarter indicate potential for additional resources in the previously mined Munshiwemba Pit and support our geological interpretations of H, L, and G Zones. An independent resource estimate to JORC and NI-43-101 guidelines is due for completion in the next quarter and will include data that was not available at the time of the preliminary study.

Exploration work by African Eagle has intersected significant mineralisation at the Munda prospect and identified several new soil geochemical copper anomalies within the wider 476 sq km prospecting licence.

Feasibility Study - Summary

Bateman Engineering Pty Ltd (Bateman), with its subsidiary Metplant Engineering Services Pty Ltd (Metplant), is the principal consulting group carrying out the feasibility study for the Mkushi process plant.

The geotechnical drilling has been completed and the report, being prepared by African Mining Consultants Ltd Zambia ("AMC"), is expected in the next month.

The Environmental Impact Assessment (EIA) has also been completed by AMC and has been presented to the authorities for review.

Snowden Mining Industry Consultants Pty Ltd, Perth, has been engaged to prepare

the NI 43-101 estimate for the mineral resources. This document is expected to be available for release in the next quarter.

Discussions are advanced with the two main power suppliers in Zambia to provide a secure supply of power to the operation.

Discussions have commenced with smelter operations in Zambia concerning possible off-take agreements.

Completion of the FS is on track for the last quarter of 2008.

Resource Drilling & Estimation

The resource evaluation drilling programme at Munshiwemba H Zone has been completed and drill rigs transferred to a programme to test additional exploration targets within the joint venture licence areas. Success on these targets is expected to result in an increase in the resource base at the Mkushi Project. It is anticipated that further resource drilling at Munshiwemba, H Zone and other core area prospects will recommence after the completion of the FS.

Results received during the quarter indicate potential for additional resources in the old Munshiwemba Pit (north east of G Zone) and have confirmed geological interpretations at L, and G Zones.

Based on visual observations, the 10m x 10m close spaced vertical RC programme at G Zone appears to confirm the continuity of the copper mineralisation.

Snowden, an independent resource consultant based in Perth, has commenced the resource estimate to JORC and NI 43-101 guidelines. This estimate is due for completion in the next quarter and will include additional data that was not available at the time the preliminary study was announced in February. Significant new drill intersection results can be found in Table 1. The holes were drilled on an average angle of minus 50degrees and the widths referred to in the table are apparent widths.

Table 1
MKUSHI - SIGNIFICANT NEW DRILL INTERSECTIONS

HOLE NO	ZONE	FROM	WIDTH	Cu GRADE %	TYPE
MH018	H ZONE	52	25	0.51	RC
MH029	H ZONE	142	5	1.01	DD
MH029	H ZONE	150	3	1.89	DD
MH084	L ZONE	137	7	1.26	DD
MH085	H ZONE	25	5	1.03	DD
MH086	H ZONE	13	19	0.34	DD
and		71	33	0.60	DD
and		109	9	0.90	DD
and		219	8	0.85	DD
MH098	H ZONE	28	3	1.69	RC
MH100	H ZONE	174.5	4.5	1.87	DD
MMU048	MUNSHIWEMBA	12	9	0.67	DD
MMU050	MUNSHIWEMBA	17	3	1.99	DD
and		31	26	1.75	DD
MMU051	MUNSHIWEMBA	48	9	2.71	DD
MMU053	MUNSHIWEMBA	57	8	4.65	RC
and		70	4	2.63	RC
MMU055	MUNSHIWEMBA	8	5	1.17	RC

MMU057	MUNSHIWEMBA	11	5	2.07	RC
MMU060	MUNSHIWEMBA	20	9	1.74	RC
MMU061	MUNSHIWEMBA	4	8	0.89	DD
and		16	18	0.40	DD
MMU064	MUNSHIWEMBA	1	11	0.97	DD
MMUGT1	H ZONE	73	19	0.63	DD
MMUP038	G ZONE	11	5	2.67	VertRC
MMUP039	G ZONE	0	11	1.27	VertRC
MMUP040	G ZONE	11	9	0.68	VertRC
MMUP045	G ZONE	9	10	1.15	VertRC

Geotechnical Study

The geotechnical diamond drilling programme has been completed and a report is being prepared by AMC for inclusion in the DFS.

Sterilisation Drilling

A 4,100m RC programme has been completed on proposed sites for plant, waste and tailings facilities. No mineralisation of significance was located and sites are now adequately sterilised for infrastructure.

Licences

An application for a Mining Licence over the Mkushi deposit and adjacent prospects with resource potential was submitted to the Zambian Ministry of Mines on 12 February 2008. The Environmental Impact Assessment ("EIA") prepared by AMC has been completed and submitted for review and approval by the Environmental Council of Zambia. The EIA is also a key requirement of the Mining Licence application. The approval of the Mining Licence is unfortunately held up due to the extended moratorium imposed by the Zambian government on licence approvals. It is expected that the Mining Licence will be processed and approved early in May after the moratorium is lifted.

Regional exploration

African Eagle, which under the JV is exploring the wider 478 sq km licence around the known deposits, has now received most of the laboratory analyses from its 3432 sample soil geochemical programme. These have revealed several promising copper anomalies, which African Eagle will follow up.

African Eagle's diamond and RC drilling of the Munda Prospect, 5km south of Munshiwemba, yielded several intersections of copper sulphides over 2km of strike, with grades up to 2% indicated by visual inspection and in-field XRF analysis, although these remain to be confirmed by a certified laboratory.

General

As part of our ongoing commitment of community improvements work was completed on re-wiring of the local medical facility in the nearby Mkushi Copper Mine village during the quarter.

John Park
Chairman
African Eagle Resources plc

30 April 2008

Qualified Person

Information of a technical nature in this report is based on information compiled by, or under the supervision of, and approved by Mr Geoff G Jones and Mr Simon Plunkett. Mr Plunkett is a Professional member of the Australian Institute of Geoscientists and is a full-time employee of CGA. The drilling results were assayed by Genalysis Laboratory Services Pty Ltd in Perth, Western Australia.

Both Mr Jones and Mr Plunkett have sufficient experience relevant to the style of mineralisation and type of deposit under consideration to be recognised as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources'. Mr Jones and Mr Plunkett consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Information in this report relating to exploration results is based on data reviewed by Mr Christopher Davies BSc, MSc, DIC, FSEG, FAusIMM, Operations Director for African Eagle, who is a Fellow of the Australasian Institute of Mining and Metallurgy, has more than 26 years relevant experience in mineral exploration and is a Qualified Person under AIM rules. Mr Davies consents to the inclusion of the information in the form and context in which it appears.

Technical terms

A glossary of technical terms used by African Eagle in this announcement and other published material may be found at www.africaneagle.co.uk/african-eagle-projects-glossary.html

For further information:

Mark Parker
Managing Director
African Eagle
+44 20 7248 6059
+44 77 5640 6899

Nicola Marrin
Seymour Pierce Limited, London
Nominated Adviser
+ 44 20 7107 8000

Charmane Russell
Russell & Associates, Johannesburg
+ 27 11 8803924
+27 82 8928052

Ed Portman / Leesa Peters
Conduit PR, London
+44 20 7429 6607
+44 (0) 7733 635 01

About African Eagle

African Eagle is a diversified mineral exploration and development company

operating in eastern and central Africa. The company's principal advanced projects are the Mkushi Copper Mines project in Zambia and the Miyabi gold project in Tanzania, which are being fast-tracked towards production. The company also holds a large well-balanced portfolio of promising earlier stage gold and base metal projects, including the Ndola copper project and the Eagle Eye iron-oxide copper gold project.

Zambia, Tanzania and Mozambique, the sites of African Eagle's projects, are all countries which have highly prospective geology, relatively low aboveground risks and track records of successful major investments in the metals and minerals industries.

African Eagle specialises in project generation and exploration. To take its discoveries into production, it seeks to sign up industry partners with records of successful mine development. These joint ventures and, in time, the revenue from advanced projects, will finance future exploration and new discoveries.

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

END