

**ASX and Media Release
20 December 2007**

LONRHO COMMENCES AIRBORNE SURVEYS AT LULO DIAMOND PROJECT, ANGOLA

HIGHLIGHTS

- **An airborne magnetic and radiometric survey on the Lulo Diamond Project in Angola has commenced**
- **The flying program comprises 11,402 line kilometers and will cover 1,000km² of the 3,000km² surface area of the Lulo Concession**
- **The target will be kimberlite pipes of which 27 are known to occur within the interfluvial area between the Lulo and the Caculo Rivers**
- **The magnetic survey is scheduled for completion by the end of January 2008**
- **The planning of the bulk sampling of these alluvials is at an advanced stage and preparations will be finalized following a site visit early in 2008**

Australian based diamond exploration and development company Lonrho Mining Limited (ASX: LOM) ("Lonrho" or the "Company"), is pleased to advise that Fugro Airborne Surveys Pty Ltd ("Fugro") has commenced airborne magnetic and radiometric surveys at the Lulo Diamond Concession in Angola.

Fugro will undertake a helicopter borne high resolution magnetic and radiometric survey covering 1,000km² across the Lulo Diamond Concession which is located in the Lunda Norte Province in north-eastern Angola, approximately 630km from the capital city of Luanda.

Airborne Magnetic and Radiometric Survey

The anticipated duration of the field operation is four to five weeks with all final results to be supplied within 28 days of completion of the survey.

The flight lines of the airborne survey will be spaced at 100m intervals for an anticipated 11,402 line kilometers. The terrain clearance will be between 15 to 25 metres above the surface. Progress will be dependent on prevailing wet season weather conditions.

The target will be kimberlite pipes, of which 27 are known to occur within the interfluvial area between the Lulo and Caculo Rivers. On completion of the survey and the interpretation of the data, the Company will select the pipes with the largest surface area for evaluation which will include drilling followed by bulk sampling. The survey may also provide valuable information on the morphology and extent of the terrace gravels at the project.

Field Visit – Lulo Diamond Concession

In mid-November, consulting geologist Manfred Marx and a team undertook a field visit to the Lulo Project area in order to inspect the terrace gravels along the Caculo River. The lower section of the river, north of the main Luanda – Saurimo road, was identified as having the greatest alluvial potential (**Photo 1**).

Near-by alluvial mining activity was noted along the downstream extension of the Caculo River terraces, within the adjoining concession held by the SDM mining company. SDM is a partner in the huge Catoca kimberlite diamond mine and a major alluvial miner within the Cuango Basin, based at Lusamba. Of interest is the visible high concentration of kimberlite picro-ilmenite within these terrace gravels (**Photo 2**).

Diamond Recovery Plant

The preparations for establishing a diamond recovery plant on the Caculo River is now well underway. Plant and earth moving equipment for this project has been targeted and suitable personnel to conduct the field operations have been approached. A site visit is planned for late January 2008, following which, the logistics associated with the camp and recovery plant construction will be finalised in readiness for implementation during the first quarter of 2008.

Commenting on the aerial survey and the site visit, Manfred Marx, Consulting Geologist for Lonrho Mining stated:

“We are delighted that the survey has now commenced and are confident that it will achieve its objectives, as aeromagnetic surveys conducted in adjoining concessions have identified many kimberlite pipes.”

“The potential for large resources of diamond bearing gravels within the lower Caculo River are excellent based on my recent field observations.”



Photo 1 - Manfred Marx standing on the west bank Caculo River terrace gravels, pointing to the eastern bank terrace gravels. Note - abandoned and overgrown *garimpero* activity.



Photo 2 - Exposure of the Caculo terrace gravels containing a high visible concentration of kimberlite picro-ilmenite.

Competent Persons Disclosure

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been prepared by Manfred Marx. Mr Marx is a consultant to the Company and has sufficient experience with the relevant style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to be qualified as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Marx consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

David Tasker/John Williams
Professional Public Relations
Tel: 0412 422 636 or 0433 112 936
Email: dtasker@pprwa.com.au

In South Africa:
Charles Mostert
Lonrho Mining Limited
Tel: +2712 665 1437
Mob Australia: +61 407 196 129
Mob South Africa: +27 72 286 9288

In Australia:
Will Burbury
Lonrho Mining Limited
Tel: +61 8 9481 3044
Mob: +61 419 996 487
Email: wburbury@lonrhominig.com

Lonrho Plc

David Lenigas or Geoffrey White
Tel: +44 (0) 207 016 5100
Website: www.lonrho.com

About Lulo

The Lulo Diamond Concession is located in the Cuango River Basin within the Lunda Norte Province of north-eastern Angola. This concession is Lonrho Mining's flagship exploration project based on the high diamond potential. Some 27 kimberlites are known within the concession and extensive diamond bearing (garimpeiro activity) alluvials occur along the Cacuilo and Lulo Rivers.

Earlier this year Lonrho Mining announced that it had signed a Joint Venture Agreement with Endiama, the national diamond company of Angola and exclusive concessionary for Angolan diamond mining rights. Within the 3,000km² Lulo Concession, Lonrho's participating interest will initially be 39% of the joint venture which will decrease to 30% after recoupment of its investment in the Project. On all alluvial deposits Lonrho's participating interest will be 40% in the joint venture.

Under the terms of the Joint Venture with Endiama, Lonrho has paid a deposit of US\$1.4 million in cash which is refundable after exploration expenditure of an equal amount by the Company within nine months after signing of the Joint Venture agreement. Lonrho is also required to fund a work programme for which the first year of exploration expenditure will total US\$6 million. Lonrho will receive in priority the funds it has expended on exploration from future mining cash flow.

For more information please visit: www.lonrhominig.com