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Leed Resources PLC
09 August 2012

Leed Resources plc

("Leed")

Update in relation to Manas Coal LLC ("Manas")

In September last year, the Board of Leed announced that it had made an investment in Manas, giving Leed a 17.5% stake in Manas. The investment enabled Manas to complete the acquisition of a licence for exploration for coal in the Eastern Kok Kiya region of the Kyrgyz Republic ("Kok Kiya Licence").

The Board of Leed has been advised by Manas that a third party company which holds a licence over an adjoining area to the Kok Kiya Licence might have an interest in part of the Kok Kiya Licence area. The third party is claiming that its licence covers part of the area held by the Kok Kiya Licence.

Leed has been informed by Manas that the overlapping area does not represent all of the prospective part of the Kok Kiya Licence area, but it does comprise a material part. However, Manas has stated that it would still wish to continue to hold its Kok Kiya Licence even if it were determined that the overlapping area did not comprise part of its licence.

Manas has informed Leed that it has made a court application to resolve this issue.

Manas has therefore delayed the commencement of the work programme planned for the Kok Kiya Licence area, which is now unlikely to commence until 2013. It is possible that in the meantime Manas may carry out some exploration activities in the area of the licence which is not within the overlapping area but no definitive decision has been made on this at the present time.

The Company is seeking further information on this issue from Manas and its legal advisers, and further announcements will be made in due course.

For further information, please contact:

Leed Resources plc

Peter Redmond Tel: 0771 8660727

Libertas Capital Corporate Finance Limited

Sandy Jamieson Tel: 020 7569 9650

VSA Capital Limited

Andrew Raca/Charlie Wilson Tel: 020 3005 5000

Peterhouse Corporate Finance

Jon Levinson/Lucy Williams Tel: 0207 469 0935/ 0207 469 0936

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