

News from Canada NewsWire

Energem - 84 carat stone from Koidu in February

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TSX: ENM

VANCOUVER, March 2 /CNW/ - Energem Resources Inc (TSX:ENM) ("the Company") is pleased to announce the recovery of an 84 carat stone as well as a number of other special stones during February from its 40% held Koidu Kimberlite Project (KKP) in Sierra Leone.

At the most recent sale of production from the K1 Pipe on 20 February, a total of 6,104 carats of gem-quality diamonds were sold at an average revenue per carat of USD272 per carat, well above the reserve average of USD230 per carat. Apart from the 84 carat stone, included in the parcel were six other special stones (more than 10.8 carats) with weights of 28.9, 25.1, 22.0, 20.7, 18.3 and 15.2 carats respectively.

From the start of the current financial year, from December 2005 to the sale on 20 February 2006, the KKP has produced 32,337 carats including 32 special stones (more than 10.8 carats).

The K1 Vertical Pit is now the main producing asset at Koidu and is providing the bulk of the current feed to the treatment plant. A plant expansion project involving the installation of an additional 20 tph DMS module is currently in the commissioning phase with benefits expected to be reflected during March.

At the Tongo Fields kimberlite dyke project, exploration is progressing well with bulk sample generation ongoing and sample treatment expected through the KKP plant mid-year.

The KKP treatment plant was commissioned in January 2004 after an initial US\$14.5 million capital re-development investment jointly funded by the equity partners following a 10 month programme which commenced in February 2003 to re-establish the plant and infrastructure at the mine.

Chairman of the Company, Brian Menell, in commenting on the recent results said:

"It is always exciting to recover a large stone and the Koidu region is renowned for high quality and high value large stones. We look forward to finding our first 100 plus carat stone from Koidu."

Qualified Person/Quality Control Notes

The "Qualified Person" reviewing the work is Brett Thompson Chief Operating Officer - Mining,

Energem Resources Inc. (mining engineer with a post-graduate business qualification, a member of the Australasian Institute of Mining & Metallurgy and a fellow of the South African Institute of Mining & Metallurgy who as a result of his education, affiliation with a professional association and past relevant work experience, fulfills the requirements to be a "Qualified Person" for the purposes of NI43-101.)

This news release contains forward-looking statements which address future events and conditions which are subject to various risks and uncertainties. The Company's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: the availability of funds; the timing and content of work programs; results of exploration activities; geological interpretations; receipt and security of mineral property titles; fluctuations in diamond prices; currency fluctuations; changes in production costs; differences in ore grades, recovery rates and tonnes mined from those expected; changes in mining rates from currently planned rates; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Energem Resources Inc. is a natural resources company listed on the Toronto Stock Exchange with projects in the energy and mining sectors in a number of African countries. Energem is committed to developing niche high margin natural resource projects in Africa and is currently active in 16 countries. Ventures encompass diamond mining and mineral exploration, mid- and up-stream oil and gas projects, energy and mining related manufacturing, trading and trade finance businesses operating off a common logistics platform and infrastructure. The company has offices and/or logistics and support infrastructure in Johannesburg, London, Beijing and a number of African countries.

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