

ZCI Limited

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("ZCI")

Production and Exploration Update

Production and exploration for the first quarter of Financial Year 2014-2015

ZCI is pleased to report that its subsidiary, African Copper Plc ("African Copper" or the "Company"), an AIM and Botswana listed copper production and exploration company, announces a production and exploration update for the first quarter of its financial year to 30 June 2014.

SUMMARY

- For the first quarter of fiscal 2015, the Company produced 2,703 metric tonnes ("Mt") of copper in concentrate.
- Ore processed while increasing to 169,565 Mt from the previous quarter's 163,391 Mt, continued to be affected by a lack of good quality ore from the Thakadu Pit due to the backlog waste stripping required; however the new mining contractor Diesel Power, that commenced operations in April 2014, is beginning to reduce this backlog. Improved ore production from the Thakadu Pit is expected in the coming quarter.
- The Mowana Process Plant had above target availability, but variable utilization due to erratic ore supply from Thakadu during the quarter.
- Infill drilling in the Thakadu Pit was carried out to allow updating of the Thakadu geological model; and infill drilling started in the Mowana Pit to enable re-categorisation of Inferred resources to Measured and Indicated resources, for incorporation into the Mowana Life of Mine Plan.

Mr Jordan Soko, Acting Chief Executive of African Copper, said: "We are pleased with the mining progress that Diesel Power is making at the Thakadu Pit. With improved ore production from Thakadu and more stable operating conditions at the Mowana Plant we are well positioned to increase production levels for the remainder of our financial year".

For further information please visit www.africancopper.com

PRODUCTION

Production levels for the three months ended 30 June 2014 and previous periods are set out below:

Description	Apr. 2014	May. 2014	June. 2014	Total Q1 Fiscal 2015*	Total Q1 Fiscal 2014*	Total Q4 Fiscal 2014*
Ore processed (Mt)	65,232	48,017	56,316	169,565	181,233	163,391
Cu grade (%)	1.99	2.41	0.83	1.72	2.03	1.71
Recovery (%)	92.9	94.4	87.2	92.6	83.6	90.2
Concentrate produced (Mt)	4,767	4,038	1,964	10,769	13,003	9,944
Copper produced in concentrate (Mt)	1,204	1,092	407	2,703	3,075	2,515

*Fiscal 2014 is for the year ended 31 March 2014 and Fiscal 2015 is for the year ended 31 March 2015

Copper produced in concentrates for the first quarter Fiscal 2015 decreased by 12.1% and volume processed decreased by 6.4%, compared to the same period in Fiscal 2014.

During the three months to end June 2014, ore mined from the Thakadu Pit continued to be affected by the previous mining contractor's low levels of waste stripping; and ore mined only increased marginally to 169,565 Mt from 163,391 Mt in the fourth quarter of Fiscal 2014. The new mining contractor Diesel Power started mining operations at Thakadu during April 2014, and mining productivity has increased during this quarter with inroads being made to the backlog waste stripping required to expose ore. Improved ore production from the Thakadu Pit is expected during the coming quarter. Tonnages mined by Diesel Power since April 2014 were as follows:

Description	Apr. 2014	May. 2014	June. 2014	June. 2014
Tonnages Mined (000's Mt)	712	859	888	911

Plant utilisation and throughput continued to be affected during the first quarter of Fiscal 2015, by the lack of ore available to be transported from Thakadu, and the time taken to accumulate sufficient live ore on the ROM pad for crushing. When ore was available from Thakadu, transportation occurred with no problems. Ore processed fluctuated during the current quarter, and copper in concentrate produced increased to 2,703 Mt from 2,515 Mt during the fourth quarter of Fiscal 2014, primarily due to improved ore grade during April and May. Low grade stockpile ores were processed in June as a result of the lack of Thakadu ore available while waste stripping activities were ongoing.

GEOLOGY AND EXPLORATION

At the Thakadu Open Pit a total of nine reverse circulation drillholes were completed during the quarter to redefine the Thakadu ore body and the Thakadu geological model has been updated based on this drilling.

A reverse circulation drilling programme comprising seventeen drillholes started at the Mowana Open Pit during June 2014. Results will be used to move Inferred Resources to the Measured and Indicated categories, for incorporation into the life of mine plan.

At Matsitama exploration activities during the quarter continued within the PL16/2004 and PL17/2004 prospecting licences, with work focused on the Phute and Nakalakwana targets.

At Phute a total of thirteen reverse circulation drillholes comprising 2,170 metres were completed. Low grade mineralisation, 0.4 to 0.8% TCu in the form of sulphides (pyrite and chalcopyrite) and oxides (malachite and chrysocolla) were intersected in both the north and south limbs of the target.

Following a review of soil geochemistry and drillhole data from previous programmes at Nakalakwana West, anomalous targets were tested using reverse circulation drilling. A total of six drillholes comprising 1,051 metres were drilled with traces of pyrite and chalcopyrite seen in the holes. Further geophysical surveys will be used to identify deeper targets in this area.

Renewals for extension of the main Matsitama prospecting licences PL14/2004, PL15/2004, PL16/2004 and PL17/2004 were submitted to the Ministry of Minerals, Energy, and Water Resources during the quarter.

The technical information in this announcement has been reviewed and approved by David De'Ath, BSc (Hons), MSc, GDE-Mining, MIMM and MAusIMM, the Company's Resident Geologist, of the Mowana Mine for the purposes of the current Guidance Note for Mining, Oil and Gas Companies issued by the London Stock Exchange in June 2009.

Bermuda
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