

ZCI Limited

(Bermudian registration number 661:1969)

(South African registration number 1970/000023/10)

JSE share code: ZCI ISIN: BMG9887P1068

Euronext share code: BMG9887P1068

("ZCI" or "the Company" or "the Group")

RENEWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the announcements released by ZCI from 18 November 2015 to 14 November 2016, and the cautionary announcement released by the Company on 9 October 2015 in relation to the funding requirements of the Group and also wherein shareholders were informed that the Botswana High Court had, on 11 December 2015, made final the provisional winding up order in respect of Messina Copper (Botswana) Proprietary Limited ("Messina"), the operating subsidiary of ZCI's subsidiary, African Copper Plc ("ACU"). Shareholders are also referred to the cautionary announcement released by ZCI on 15 April 2016, wherein shareholders were advised of the first meeting of creditors of Messina held on 15 March 2016 and of the appointment of the substantive Liquidator (the "Messina Liquidator"), the subsequent renewals of this cautionary announcement released by ZCI from 30 May 2016 to 14 November 2016, and the announcement released by ZCI on 2 August 2016, wherein shareholders were advised that a second meeting of creditors of Messina was held on 28 July 2016, where it was resolved that the Messina Liquidator be authorised to accept an offer in respect of the disposal of the assets of Messina (the "Offer"), subject to agreement to the suspensive conditions to the Offer being met by 28 October 2016 (the "Longstop Date") and the subsequent announcement wherein Shareholders were advised that the Longstop Date was extended until 30 November 2016. Shareholders are further referred to the announcement released by ZCI on 17 November 2016 wherein Shareholders were informed that the Messina Liquidator has received a proposal from the preferred bidder, Leboam Holdings (Pty) Ltd ("Leboam") to acquire the Messina assets subject to certain suspensive conditions to the Offer being satisfied.

Shareholders are advised that a third meeting of creditors of Messina was held on 16 December 2016 in the High Court of Botswana in Lobatse, Botswana (the "Third Meeting of Creditors"), where it was resolved that the Messina Liquidator be authorised to accept an amended offer in respect of the disposal of the assets of Messina (the "Amended Offer"). Transfer of the assets of Messina pursuant to the Amended Offer is subject to a range of suspensive conditions including the execution by Leboam of financing agreements and Botswana government approval of the transfer of mining licences and land leases. Subject to satisfaction of all suspensive conditions and a successful fundraising by Leboam, ZCI will receive (no later than 15 May 2017) a cash distribution, an unsecured shareholders loan in favour of ZCI by Leboam and an equity interest in favour of ZCI in Leboam.

The Third Meeting of Creditors further resolved that the Messina Liquidator's report tabled at the meeting be approved and adopted, and that the Messina Liquidator's request for permission to extend the liquidation process to 30 June 2017 be granted.

Messina currently has interest-bearing loans (including accrued interest) with ZCI totalling US\$104.9 million, excluding the existing convertible loan of a further US\$7.4 million. As at the date of this announcement, the board of directors of ZCI cannot reliably estimate the extent of any potential proceeds arising as a result of these liquidation proceedings.

In addition, shareholders are referred to the announcement released by ZCI on 1 September 2016, wherein shareholders were advised of a meeting of members of ACU, held on 31 August 2016, where the members of ACU voted in favour of the voluntary liquidation of ACU and the appointment a Liquidator (the "ACU Liquidator"), and the subsequent meeting of the creditors of ACU held on 31 August 2016, where the creditors of ACU voted in favour of the appointment of the ACU Liquidator.

Shareholders are advised that the voluntary liquidation of ACU remain in progress and that as at the date of this announcement, the board of directors of ZCI cannot reliably estimate the extent of any potential proceeds arising as a result of these voluntary liquidation proceedings.

The Company will provide updates to stakeholders as and when further information becomes available. Accordingly, shareholders are advised to exercise caution when dealing in ZCI shares until such date as further information in relation to the above matters, including the full financial impact thereof, has been made available.

As a result of the events explained above, the board of directors of ZCI are still currently not able to provide a date on which the suspension of trading, in securities of ZCI, is expected to be lifted, as is required in terms of Section 1.10(c) of the JSE Limited Listings Requirements.

Bermuda

20 December 2016

Sponsor: Bridge Capital Advisors Proprietary Limited