

ZCI Limited

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("ZCI")

## **FAILURE OF THE BALL MILL PINION SHAFT AT THE MOWANA MINE**

ZCI's major subsidiary, African Copper Plc ("ACU" or the "Company") announces the failure of the Ball Mill pinion shaft at the Company's Mowana Mine facility in Botswana on Sunday, 20 May 2012. The failure and resultant damage has rendered the Ball Mill inoperable until a replacement is installed and has resulted in the immediate cessation of the production of copper concentrates. Prior to the incident, the mill was running normally at 135tph. The pinion shaft was due for replacement in early June 2012, with a replacement ordered ten months earlier. The new pinion shaft was due to be delivered on 5 June 2012 and management are currently investigating the possibility, with the supplier, for earlier delivery. Due to the long lead time for taking delivery of the pinion from the manufacturers, it is expected that the Mill will be out of operation for a minimum of 12 days. Management also intends to replace the Mill gearbox and liners during the replacement of the pinion.

All other mining activities, including drilling, load and haul, and ore transportation are expected to continue to plan. The crushing sections at the Mowana Mine facility will continue running with the aim of filling both the coarse and fine product stockpiles with the higher grade Thakadu ore, with a view to building the ore stockpiles in front of the Mill. This will allow the plant to run at a higher throughput once the Mill is repaired. Some contractors whose equipment has not been performing to expectation will, in the meantime, be required to stop activities so that they can maintain their equipment in preparation for higher productivity when the Mill restarts.

A further announcement will be made in due course, once management can confirm a restart date and quantify the financial effects of the incident. For further information please visit [www.africancopper.com](http://www.africancopper.com)

Bermuda

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