

ZCI Limited

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JSE share code: ZCI ISIN: BMG9887P1068

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("ZCI")

## Production Update

### Production report for the fourth quarter and full year fiscal 2013

ZCI is pleased to report that its principal subsidiary African Copper Plc ("**African Copper**" or the "**Company**"), announces production of 2,429 Mt of copper in concentrate for the fourth quarter of fiscal 2013 from its 100% owned mines in Botswana.

African Copper issued the following statement:

#### Fourth Quarter and Full Year Production Highlights

- Ore processed in Q4 of 164,588 Mt; a 7.4% decrease over prior year's Q4 but increased copper recovery of 88.2% (Q4 FY2012: 45.8%) resulted in copper produced in concentrate of 2,429 Mt; a 45.2% increase over prior year's Q4.
- Full year FY 2013 ore processed increased by 8.5% to 801,901 Mt despite 15 day shut down in Q1.
- Full year FY 2013 copper recovery increased to 66.5% from 48.4% in the prior year.
- Full year FY2013 copper produced in concentrate increased by 37.5% to 9,496 Mt

All of the ore processed at the Mowana facilities during FY 2013 was sourced from the higher grade sulphide ore rich Thakadu Mine. Ore processed in the fourth quarter was lower than the third and second quarters as a result of lower ore production following a change in mining contractors which was highlighted during the third quarter results announced on 24 January 2013. During March, ore production improved, and mining took place in the wider, higher grade eastern part of the Thakadu orebody as reflected by the March copper grade. Copper recovery at the plant has continued to benefit from the increasing proportion of sulphide ore, particularly during March 2013 when a new production record of 1,314 tons of copper in concentrate was achieved. In the three months reported below, the proportion of sulphide ore processed increased to 80% of the total from 54% in Q3 and 56% in Q2. Trucking operations from Thakadu to the Mowana Mine processing facilities, a distance of 70km, ran to plan throughout the quarter and FY 2013

Production levels for the three months ended 31 March 2013 are set out below:

Description	January 2013	February 2013	March 2013	Total Q4 2012/ 2013	Total Q3 2012/ 2013	Total Q2 2012/ 2013
<b>Ore processed (Mt)</b>	41,180	52,933	70,475	<b>164,588</b>	215,383	250,023
<b>Cu grade (%)</b>	1.50	1.27	2.08	<b>1.67</b>	1.71	1.82
<b>Recovery (%)</b>	87.2	85.7	89.7	<b>88.2</b>	69.8	63.4
<b>Concentrate produced (Mt)</b>	2,633	2,826	5,899	<b>11,358</b>	11,829	13,967
<b>Copper produced in concentrate (Mt)</b>	540	575	1,314	<b>2,429</b>	2,577	2,882

Totals for the fiscal year ended 31 March 2013 in comparison with prior years are presented as follows:

Description	FY2012/13*	FY 2011/12	FY 2010/11
<b>Ore processed (Mt)</b>	<b>801,901</b>	738,921	632,981
<b>Cu grade (%)</b>	<b>1.78</b>	1.93	1.37
<b>Recovery (%)</b>	<b>66.5</b>	48.4	47.7
<b>Concentrate produced (Mt)</b>	<b>44,041</b>	31,027	18,778
<b>Copper produced in concentrate (Mt)</b>	<b>9,496</b>	6,910	4,143

\* Production during the first quarter ended 30 June 2012 was adversely affected by the failure of the mill pinion shaft which caused production to be shut down for 15 days.

During December 2012 the mining contractor at Thakadu gave notice of termination of contract, exiting from the mine during January 2013. There was a resultant drop in ore mined during December 2012 and into January 2013. A new mining contractor was engaged during February and ore production ramped up during February approaching more normal levels during March 2013.

Post the period end, April has seen some production issues around the performance of the mill, which has been subject to some vibrations following a production halt for three days for mill relining. Accordingly, April production was 556 Mt of copper in concentrate. We have identified the source of the vibrations and as a result have ordered new mill gear mechanisms which are expected to be available for installation in September 2013 with resultant necessary mill downtime.

Exploration drilling has continued during the fourth quarter in the greater Nakalakwana area targeting Iron Oxide Copper Gold mineralisation within the Matsitama Exploration Licence PL 17/2004; and in the near vicinity of Thakadu Mine to find additional mineable resources.

Mr Jordan Soko, Acting Chief Executive of African Copper, said, "We achieved record copper production from the Mowana facilities in our fiscal year to end March 2013. I am pleased to be able to report to shareholders that our team's hard work on improving operations is at last paying off and that our Mowana and Thakadu assets are beginning to demonstrate the long life and quality that we believed them to possess."

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 Manager, Geology, 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

10 May 2013

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