

ZCI Limited

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("ZCI")

Production Update

Production for the second quarter of Financial Year 2013-2014

ZCI is pleased to report that its subsidiary, African Copper Plc, announces a production update for its Mowana and Thakadu Mines for the first six months of its financial year to 30 September 2013.

Summary

- Despite the production issues experienced in the second quarter, ore processed in the first half decreased by only c. 12% to 373,274Mt compared to last year's first half while copper produced in concentrate increased by c. 10% to 4,937 Mt.
- Poor mining contractor performance at Thakadu resulted in decreased sulphide ore supply to the process plant and increased oxide ore treatment. Copper recovery decreased to 60.4% from 83.6% during Q1 FY2014 and from 63.4% during Q2 FY2013.
- Plant downtime impacted the amount of ore processed following the installation of a new primary crusher in July and repairs to the ball mill motor in August and September. During the quarter 192,041Mt of ore was processed compared to 181,233Mt during Q1 FY2014 and 250,022Mt during Q2 FY2013.

Mr Jordan Soko, Acting Chief Executive of African Copper, said: "We continue to focus on improving plant efficiency and increasing throughput to raise production levels further towards capacity. Our progress continues."

Production levels for the three months ended 30 September 2013 are set out below:

Description	July 2013	August 2013	Sept. 2013	Total Q2 2013/ 2014	Total Q2 2012/ 2013	Total Q1 2013/ 2014
Ore processed (Mt)	55,010	74,583	62,448	192,041	250,022	181,233
Cu grade (%)	1.86	1.77	1.18	1.60	1.82	2.03
Recovery (%)	79.7	38.5	73.1	60.4	63.4	83.6
Concentrate produced (Mt)	3,789	2,651	2,769	9,209	13,967	13,003
Copper produced in concentrate (Mt)	816	508	538	1,862	2,881	3,075

Totals for the first six months of FY2014 and comparison with prior periods are as follows:

Description	1H 2013/14	1H 2012/13	FY 2012/13
Ore processed (Mt)	373,274	421,930	801,901
Cu grade (%)	1.81	1.86	1.78
Recovery (%)	73.0	57.3	66.5
Concentrate produced (Mt)	22,212	20,855	44,041
Copper produced in concentrate (Mt)	4,937	4,490	9,496

The upgrade of our processing facility continued during the quarter with a new primary crusher installed over a five day period at the start of July. During this period, the team took the

opportunity to carry out extensive plant maintenance and clean up.

The principal reason for the drop in recoveries and copper in concentrate produced during this quarter was shortage of high grade sulphide ore from the Thakadu pit. This is directly attributable to the poor performance of the mining contractor in stripping the required amounts of hanging wall waste to expose high grade blocks of sulphide ore.

As a result, only 73,960 Mt of Thakadu sulphide ore at 1.08% Cu was mined and processed, compared to Q1 FY 2014 when 181,233 Mt of Thakadu sulphide ore at 2.03% Cu was mined and processed.

The shortfall necessitated the processing of stockpiled Thakadu oxide ore, which resulted in lower recoveries, particularly during August. To improve grades and throughput, a total of 51,767 Mt of mixed oxide/supergene ore at 1.40% Cu was mined from the Mowana open pit, and processed.

Throughput was also affected by mill stoppages in August and September to repair and replace the mill actuator and brush ring on the main mill motor.

Exploration continued during the second quarter with geological mapping in the Nakalakwana Hill area and test pitting and mapping at the Makala deposit immediately west of the Thakadu Mine.

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
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