

ZCI Limited

(Bermudian registration number 661:1969)

Euronext share code: BMG9887P1068

("ZCI" or the "Company")

## UPDATE ON LEBOAM AND CRADLE ARC

Shareholders are referred to the previous announcements released by ZCI in connection with, inter alia, the liquidation of each of Messina Copper (Botswana) Proprietary Limited (in Liquidation) ("**Messina**") and the consequent interest acquired by ZCI in Leboam Holdings Proprietary Limited ("**Leboam**") following the admission of the ordinary shares of Cradle Arc plc ("**Cradle Arc**") to trading on AIM. Capitalised terms defined in previous announcements have the same meaning when used herein.

As previously announced, following the acceptance of an Amended Offer from Leboam in respect of the disposal of the assets of Messina, on or about 25 January 2018 ZCI received a US\$9.9 million secured loan payable by Leboam over 33 months (which included a capital repayment holiday) carrying interest at 13.5%; ordinary shares in Leboam representing 40% of the share capital of Leboam; and a US\$21 million unsecured shareholder loan recorded in the books of account of Leboam in favour of ZCI.

Shareholders are advised that on 7 December 2018 the Board of Directors of Leboam has resolved to suspend mining operations at Mowana until further notice due to significant pressure on Leboam's working capital position. The Board of Directors of Leboam further resolved that Leboam will seek the protection of the Botswana Courts and intend to appoint an Administrator as part of the process of business rescue in Botswana.

Shareholders are further advised that in light of the situation, Cradle Arc, Leboam's parent is seeking insolvency advice and, accordingly, the trading of its ordinary shares has been temporarily suspended pending clarification of its financial position. For further information, please visit [www.cradlearc.com/news/](http://www.cradlearc.com/news/)

As more information becomes available, the Company shall provide further updates.

Bermuda

7 December 2018