ZCI LIMITED
Bermudian registration number: 661:1969
South African registration number: 1970/000023/10
Incorporated and domiciled in Bermuda
“ZCI” or “the Group” or “the Company”
Share code: ZCI
ISIN: BMG9887P1068

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Key highlights

- Revenue increased to US$60.5 million (2012: US$ 42.8 million)
- Increased gross profit from mining activities of US$15.1 million (2012:US$3.4 million loss)
- Record production levels in March 2013, and copper produced in concentrate 37% higher than 2012
- Recovery rates increase by 37% year on year
- Exceptional safety performance and zero fatalities
- Progress in environmental sustainable operations and CSI

Results

The Group continued to register improvements in its performance over the financial year and generated an operating profit from its mining operations, while significantly reducing its overall net loss. The improvement was as a result of a significant increase in the production of tonnes of copper in concentrate, mainly due to improved recovery rates achieved as follows:

- Greater plant throughput as the plant became more stable – we processed 801,901 tonnes of ore in 2013 compared to 738,921 tonnes in 2012 – a 9% increase.
- All the ore processed during the current financial year came from the Thakadu pit with an average grade of 1.78%. In 2012, the average grade was 1.93% with 73% of the ore coming from the Thakadu pit and the balance from the Mowana pit.
- Recovery rates increased to 66.5% from 48% for the year as whole, with the latter months of the financial year recording substantially higher recoveries. During December 2012, we recorded our highest recovery rate to date at 95.6%. This reflects the decline in the relative percentage of oxide ore processed through our plant, and the increase in that of higher-recovery sulphide ore from the Thakadu open-pit.

Outlook

The major investment of ZCI is in the copper mining operations of the Group. The global copper market is therefore a key factor in the outlook of the Group as the demand for copper and the copper price are key to the revenues of the Group.

Early 2012 saw a strong rise in the price of copper which remained at these relatively high levels well into 2013. Market consensus is that estimated global stocks of copper are still below those of other base metals while visible terminal market stocks are also reasonably low. Many analysts have therefore, in the light of the relatively low levels of readily available stocks, the continued mine disruptions and supply under performance, taken a bullish viewpoint for the copper price continuing into the next year. A strong copper price for the coming period will have positive implications for the profitability of the Group’s operations.

A key driver in the Company’s future direction is the need to create value for shareholders. Sustainable growth is a key component of any future strategic direction of ZCI. The Board is continuing to work towards realising the full value of its investments, and will pursue all relevant opportunities to unlock value and put the Group in a position to build a more diversified investment portfolio providing sustainable growth for its shareholders.

The engagement of Rand Merchant Bank Corporate Finance (“RMB”) to realise value from the investment of ZCI in African Copper Plc (“ACU”) was an important first step in that direction. ZCI received a number of proposals in this process, but the nature of these proposals were such that its board did not believe them to reflect the intrinsic value of ACU and accordingly chose not to proceed with any of those proposals.

Consequently, and as a result of globally challenging market conditions and specifically that of the junior mining sector, coupled with a marked increase in risk aversion among investors, ZCI elected to terminate the engagement with RMB. ZCI's board is continuing to work towards realising the full value of its investment in African Copper and we are considering a number of ways in which this can be achieved. With this in mind, the Board has begun to reassess the Company's strategy and determine key initiatives, activities and processes to achieve these goals.

While we remain cautious on commodity price forecasts and still face a number of challenges within the Group mining operations, we are encouraged by the positive trends seen in production and are optimistic that the more stable operating conditions will continue, allowing continuing improvement towards achieving our goals. The new financial year has commenced with record monthly production of tonnes of copper in concentrate which bodes well for the next financial year.

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Abridged Consolidated Statement of Comprehensive Income

	2013 **USD '000**	2012 USD '000
Revenue	**60,464**	42,772
Cost of sales	**(45,414)**	(46,133)
Gross profit/(loss) from mining activities	**15,050**	(3,361)
Administrative expenses	**(8,070)**	(7,926)
Other expenses	**(7,970)**	(31,116)
Foreign exchange (losses)/gains	**616**	4,093
Loss before net finance expense	**(374)**	(38,310)
Finance income	**41**	725
Finance expense	**(2,040)**	(2,352)
Loss before tax	**(2,373)**	(39,937)
Income tax	**749**	4,141
Loss for the year	**(1,624)**	(35,796)
Other comprehensive income:		
Exchange differences on translation of foreign operations	**(4,638)**	(7,944)
Total comprehensive income for the year	**(6,262)**	(43,740)
Profit/(loss) attributable to:		
Equity holders of the parent	**2,871**	(29,068)
Non-controlling interest	**(4,495)**	(6,728)
Total comprehensive income attributable to:		
Equity holders of the parent	**(1,033)**	(35,756)
Non-controlling interest	**(5,229)**	(7,984)
Basic earnings/(loss) per ordinary share (US cents)	**5.16**	(52.21)
Diluted earnings/(loss) per ordinary share (US cents)	**1.63**	(56.73)

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Abridged Consolidated Statement of Financial Position

	2013 USD'000	2012 USD'000
ASSETS		
Property, plant and equipment	**40,609**	41,248
Intangible assets	**39,844**	44,463
Other financial assets	**270**	423
Total non-current assets	**80,723**	86,134
Inventories	**8,891**	8,792
Trade and other receivables	**5,253**	4,132
Cash and cash equivalents	**9,197**	18,441
Total current assets	**23,341**	31,365
Total assets	**104,064**	117,499
EQUITY		
Share capital	**102,688**	102,688
Foreign currency translation reserve	**(6,891)**	(2,987)
Accumulated losses	**(10,831)**	(13,865)
Equity attributable to owners of the Company	**84,966**	85,836
Non-controlling interest	**(7,952)**	(2,723)
Total equity	**77,014**	83,113
LIABILITIES		
Interest bearing debt	**712**	1,611
Deferred tax	**2,297**	3,046
Environmental rehabilitation provision	**6,766**	7,065
Total non-current liabilities	**9,775**	11,722
Trade and other payables	**16,073**	18,067
Current portion of interest bearing debt	**1,171**	1,293
Bank overdraft	**31**	3,304
Total current liabilities	**17,275**	22,664
Total equity and liabilities	**104,064**	117,499

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Abridged Consolidated Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	(Accumulated losses)/Retained earnings	Attributable to equity holders of the parent	Non-controlling interest	Total equity
	USD'000	USD'000	US'000	USD'000	USD'000	USD'000
Balance as at 31 March 2011	**102,688**	**3,701**	**14,701**	**121,090**	**5,260**	**126,350**
Transactions with owners recorded directly in equity						
Share option reserve	-	-	502	**502**	-	**502**
Loss for the year	-	-	(29,068)	**(29,068)**	(6,728)	**(35,796)**
Other comprehensive income						
- foreign currency translation differences	-	(6,688)	-	**(6,688)**	(1,256)	**(7,944)**
Total comprehensive income for the year	-	(6,688)	(29,068)	**(35,756)**	(7,984)	**(43,740)**
Balance as at 31 March 2012	**102,688**	**(2,987)**	**(13,865)**	**85,836**	**(2,723)**	**83,113**
Transaction with owners recorded directly in equity						
Share option reserve	-	-	163	**163**	-	**163**
Profit/(loss) for the year	-	-	2,871	**2,871**	(4,495)	**(1,624)**
Other comprehensive income						
- foreign currency translation differences	-	(3,904)	-	**(3,904)**	(734)	**(4,638)**
Total comprehensive loss for the year	-	(3,904)	2,871	**(1,033)**	(5,229)	**(6,262)**
Balance as at 31 March 2013	**102,688**	**(6,891)**	**(10,831)**	**84,966**	**(7,952)**	**77,014**

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Abridged Consolidated Statement of Cash Flows

	2013	2012
	USD'000	USD'000
Cash flows from operating activities		
Cash generated/utilised by operations	**3,877**	(1,091)
Interest received	**41**	679
Interest paid	**(613)**	(906)
Cash inflow/(outflow) from operating activities	**3,305**	(1,318)
Cash flow from investing activities		
Additions to maintain operations:		
- Property, plant and equipment	**(6,072)**	(16,862)
Additions to expand operations:		
- Intangible assets	**(2,403)**	(7,065)
Proceeds from sale of assets	**171**	429
Repayment of long term receivable	**-**	10,048
Cash outflow from investing activities	**(8,304)**	(13,450)
Cash flow from financing activities		
(Repayment)/drawdown on interest bearing debt	**(1,021)**	2,904
Cash (outflow)/inflow from financing activities	**(1,021)**	2,904
Effect of foreign currency translation	**49**	583
Net decrease in cash and cash equivalents	**(5,971)**	(11,280)
Cash and cash equivalents at the beginning of the year	**15,137**	26,417
Cash and cash equivalents at the end of the year	**9,166**	15,137

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Notes to the abridged consolidated financial statements

1. General information

ZCI is a holding company of a copper producing and mineral exploration and development group of companies (the "Group"). The Group's main project is the Mowana Mine which consists of a 3,000 Mt per day copper processing facility and the copper producing Mowana open pit. The Group also owns the rights to the adjacent high grade copper-silver Thakadu open-pit and holds permits in exploration properties at the Matsitama Project. The Mowana Mine and processing infrastructure is located in the north-eastern portion of Botswana and the Matsitama Project is contiguous to the southern boundary of the Mowana Mine.

2. Accounting policies and basis of preparation

The abridged financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the AC500 Standards issued by the Accounting Practices Board, the JSE listings requirements. These abridged financial statements contain the information required by IAS 34: Interim Financial Reporting. The accounting policies adopted are consistent with those adopted in the annual financial statements for the year ended 31 March 2012.

The abridged consolidated financial statements have been prepared on the historical cost basis. Historical costs are generally based on the fair value of the consideration given in exchange for assets.

The abridged consolidated financial statements are presented in United States Dollars ("US$"), which is the company's functional currency. All financial information presented in US$ has been rounded to the nearest thousand.

This abridged report is extracted from audited information, but is not itself audited.

3. Segment information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group's only operating segment is the exploration for, and the development of copper and other base metal deposits. All the Group's activities are related to the exploration for, and the development of copper and other base metals in Botswana with the support provided from the Company and it is reviewed as a whole by the Board (who is considered the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. All mining revenue derives from a single customer.

As such, a separate segmental report has not been prepared.

4. Going concern

The Directors have prepared the abridged financial statements on the going concern basis having considered the status of current operations, the current funding position and the projected funding requirements of the business for, at least, 12 months from the date of approval of these financial statements as detailed below:

Current operations and performance

The Group incurred a loss after tax for the year ended 31 March 2013 of US$1.6 million (2012: US$35.8 million loss).

The Company's direct subsidiary, African Copper Plc ("ACU"), realised a significant increase in revenue, up from US$42.8 million in the prior year to US$60.5 million in 2013, as a result of the favourable increase in tonnes of copper concentrate sold, from 6,245 tonnes in 2012 to 8,692 tonnes during the 2013 financial year.

4. Going concern – Continued

A further positive development was the decrease in cost of sales, down from US$46.1 million in 2012 to US$45.4 million in 2013, resulting in a decrease in the average unit cost of copper concentrate produced per ton from US$31.86 in 2012 to US$23.21 during the 2013 financial year. During 2013, consolidated administration and other costs (excluding impairment losses) remained relatively stable, and net consolidated foreign exchange losses also decreased. Additionally, during the prior year US$ 25.8 million of impairment losses were recorded, which contributed to the loss reported in the fiscal year 2012. The Group did not identify any further impairment indicators during the fiscal year 2013 and no further impairment losses were recorded which contributed to the favourable decrease in the loss after tax for the 2013 year.

The average copper produced in concentrate for the year amounted to 791 tonnes per month, with the highest and lowest months' production yielding 1314 tonnes and 270 tonnes respectively. As a result of record production highs, the mass of copper produced in concentrate enabled the business to generate positive cash flows from operating activities over the year of US$3.3 million. There have been significant investing activities with additions to property, plant and equipment to maintain and expand operations resulting in a cash outflow from investing activities of US$8.3 million. In addition, cash outflow as a result of net repayment of interest bearing debt amounted to US$1.02 million during the year. Overall there has been a positive trend with a net decrease in consolidated cash and cash equivalents of US$6 million during 2013 compared to a decrease of US$11.3 million in the prior year.

Subsequent performance

Since the year end, copper produced in concentrate for the months of April and May was 540 and 1,408 tonnes of copper in concentrate respectively. April's production figures were slightly disappointing and arose as a result of 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. In May production returned to more normal levels with mill throughput of 81,000 tonnes achieved. The source of the before mentioned vibrations have been identified and new mill gear mechanisms have been ordered. These are expected to be available for installation in September 2013, which would result in necessary mill downtime.

Cash flow forecast – key assumptions and uncertainties

The cash flow projections, which have been drawn up on a monthly basis, are based on a number of inputs and assumptions which include mined tonnage, all associated mining and processing costs, extraction and yield rates for production of the copper concentrate and the price of copper. The Group's approved capital expenditure is also included in the cash flows.

In the opinion of the Directors, the key assumptions to which the projections are most sensitive are the tonnage of produced copper concentrate and the copper price. The tonnage of produced copper concentrate is itself a function of mining output and recovery achieved in the processing operations. Key assumptions (12 months to June 2014):

Average copper price per tonne	US$7,390
Average monthly production	1,289 tonnes
Average throughput	83,385 tonnes

The average price per tonne achieved during the financial year was US$7,839 (2012: US$8,505).

The average monthly production is a 62.9% increase over average production in fiscal 2013, however, the 2013 average is significantly impacted by the low production in May 2012. The low production in May 2012 was as a result of a mechanical failure in the processing plant and a resulting shutdown from 20 May until 5 June 2012.

4. Going concern – Continued

The lower production in January and February 2013 were as a result of the mining contractor at Thakadu giving notice of termination of contract, exiting from the mine during January 2013. The assumed production is a 43% increase over the average production for the fiscal year 2013 excluding the months of May 2012, January and February 2013.

The forecast average throughput of 83,385 tonnes is only 24% higher than the 66,825 average throughput achieved during the year ended 31 March 2013 and 11% higher should the months of May 2012, January and February 2013 be excluded from the comparison.

Although the Group has demonstrated its ability to produce at a sustainable monthly level during the second half of the financial year being reported on, the Thakadu pit will be depleted within the next 12 months and the Group's future cash generation beyond 2014 is entirely reliant on a successful and timely restart of mining operations at the Mowana pit and associated processing of the supergene ore. If there is a material slippage in the timetable for bringing the Mowana pit back into production, the Group may not have sufficient funds to meet its costs.

Projected funding requirements

The Directors believe that the projections for at least the twelve months to August 2014 are achievable, based on the higher grade and recovery profile of the Thakadu ore anticipated to be mined and processed until May 2014 and a planned switch to Mowana ore in June 2014, a conservative view on consensus analyst projections for the copper price, the production targets, and the cost factors used in the forecast.

The projections show that if the key operational and pricing assumptions are achieved, the existing loan facilities will be sufficient to provide the necessary funding for the Company and its subsidiaries for at least the next twelve months from the date of approval of these financial statements.
By way of illustrating other downside sensitivities in the projection, a combination of:

- average copper price for the period 1 June 2013 to 31 December 2013 lowered to the spot price of $3.28 per pound at the time of performing the sensitivity analysis;
- shortfalls in the average copper price of up to 5%;
- shortfalls in production throughput of up to 5%; and
- shortfalls in average recoveries of up to 5%;

would result in an additional funding requirement of up to US$1.47 million (all other assumptions unchanged); and additionally

- a possible shutdown of operations for approximately 30 days in the event of a critical equipment failure;

would result in an additional funding requirement of up to US$4.3 million (all other assumptions unchanged).

In light of the above sensitivities, the Directors of ZCI extended a letter of financial support to ACU, confirming that ZCI will continue to make sufficient financial resources available to allow ACU to meet its liabilities as they fall due in the course of normal operations. Furthermore, to ensure that ZCI has the ability to provide such support based on existing and any additional funding requirements, subsequent to year end, the Company obtained an extension on a letter of financial support from its controlling shareholder, to the value of US$7 million.

Conclusion

Uncertainties surrounding the switchover of mining operations and processing of ore from the Thakadu pit to the Mowana pit, together with the volatility of the copper price, may have a significant impact on the Directors' use of the going concern assumption.

Notes to the abridged consolidated financial statements

4. Going concern – Continued

Should the projected production levels and key financial assumptions not be achieved, the Company and its subsidiaries will have to source additional external funding in order to realise their assets and discharge their liabilities in the normal course of business. In the event that additional funding is not forthcoming, these conditions may cast significant doubt about the ability of the Company and its subsidiaries to continue as going concerns and therefore to continue realising their assets and discharging their liabilities in the normal course of business.

5. Contingent liability

As disclosed in the 31 March 2012 annual report and interim financial statements for the period ended 30 September 2012, the Company previously entered into an Investment Advisory and Management agreement (the "IAMA") with iCapital (Mauritius) Limited ("iCapital"). The contract was terminated with effect from 1 January 2012. As at 31 March 2013 the dispute with regards to the interpretation of certain clauses was still ongoing.

During the 2013 year an Advance Payment Deed was executed by the parties in relation to the Fixed Fee claims under the IAMA resulting in a payment of US$1 million by the Company to iCapital and recognised as part of other expenses in the consolidated statement of comprehensive income.

Subsequent to the year end the Company and iCapital reached a settlement and relating settlement deeds have been signed and placed in escrow. The terms of the settlement in respect of the performance fees are summarised as follows:

- a payment of US$2 million in relation to the performance fee for the period from 1 January 2009 to 31 March 2011 in terms of the IAMA; and
- a settlement deed in relation to the performance fee for the period from 1 April 2011 to the date of termination of the contract, which applies in the event that no disposal of any of the Company shareholding in its subsidiary, ACU, is completed by 1 June 2013 in which case iCapital is compensated by a transfer of 18.5% of the ACU shares held by the Company ("Share Transfer Deed"); and
- the Share Transfer Deed includes tag along and drag rights provisions which allows the Company flexibility should a future disposal of its shareholding in ACU be considered.

Settlement and payment of US$2 million in relation to the initial performance fee has been completed subsequent to the financial year end.

Given that iCapital is a related party the terms of the settlement are subject to a fair and reasonableness opinion as per the Listing Requirements of the JSE and are conditional upon the approval of ZCI's shareholders. In terms of the Listings Requirements of the JSE, a related party transaction requires that an independent professional expert, acceptable to the JSE, must conclude that the terms and conditions of the proposed settlement are fair and reasonable as far as the shareholders of the Company are concerned. Accordingly, the Directors have commenced the process to retain counsel and initiate the process to obtain necessary shareholder approval. As a result of the required approval process, no liability have been recognised in the 2013 financial year for neither the cash payment nor settlement in shares as the outcome of this process is still uncertain.

If the Company's shareholders do not approve the terms of the settlement, as the case may be, by 31 October 2013, the dispute will not be settled and the parties will, in effect, revert to the procedure set out in the IAMA. In this case, any performance fee that the Company might be required to pay under the IAMA will be adjusted to take into account the US$2 million payment that the Company has already paid to iCapital (contingent asset).

6. Other expenses

Included in other expenses for the financial year ended is an impairment loss of US$2.025 million on intangible assets. This relates to two exploration licenses that are post expiry date and applications for renewal have been submitted.

6. Other expenses – Continued

At the date of this report the confirmation of the renewal remains outstanding and therefore this has been identified as an impairment indicator.

During the prior year, the outcome of the impairment review based on the value-in-use calculation, resulted in an impairment loss of US$25.7 million (US$15 million relating to property, plant and equipment and US$10.7 million relating to intangible assets) which was included in other expenses. In the current financial year the outcome of the value-in-use calculation did not indicate any further impairment of the carrying value of the property, plant and equipment and intangible assets and therefore no impairment has been recognised in other expenses for the year ended 31 March 2013. The Directors are also of the opinion that the results of the value in use calculation did not support the reversal of impairment losses recognised in past periods.

7. Earnings per share

	2013	2012
Basic earnings/(loss) per ordinary share (US cents)	**5.16**	(52.21)
Diluted earnings/(loss) per ordinary share (US cents)	**1.63**	(56.73)
Headline earnings/(loss) per ordinary share (US cents)	**7.42**	(14.48)
Diluted headline earnings/(loss) per ordinary share (US cents)	**3.89**	(17.41)
Number of ordinary shares in issue	**55,677,643**	55,677,643
Weighted average and diluted number of ordinary shares in issue	**55,677,643**	55,677,643

The following adjustments to loss attributable to ordinary shareholders were taken into account in the calculation of diluted loss, headline loss and diluted headline loss per share:

	2013 USD'000	2012 USD'000
Profit/(loss) attributable to equity holders of the parent	**2,871**	(29,068)
Increase in shareholding in subsidiary with respect to convertible portion of debt	**(1,962)**	(2,520)
Diluted profit/(loss) attributable to equity holders of the parent	**909**	(31,588)
Profit/(loss) attributable to equity holders of the parent	**2,871**	(29,068)
Impairment loss	**2,025**	25,740
Deferred tax on impairment loss	**(446)**	(2,363)
Non-controlling interest in impairment loss	**(320)**	(2,372)
Headline profit/(loss) attributable to equity holders of the parent	**4,130**	(8,063)
Increase in shareholding in subsidiary with respect to convertible portion of debt	**(1,962)**	(1,632)
Diluted headline profit/(loss) attributable to equity holders of the parent	**2,168**	(9,695)

The options granted by ACU were excluded from the diluted earnings per share calculation as their effect would have been anti-dilutive.

Notes to the abridged consolidated financial statements

8. Commitments

Contractual obligations	**Total**	**2013** [d]	**2014**[d]	**2015**[d]	**2016**[d] **and thereafter**
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Goods, services and equipment [a]	**9,127**	**9,127**	**-**	**-**	**-**
Exploration licences [b]	**3,064**	**2,066**	**998**	**-**	**-**
Lease agreements [c]	**200**	**156**	**10**	**10**	**24**
	12,391	**11,349**	**1,008**	**10**	**24**

a) The Group has a number of agreements with third parties who provide a wide range of goods and services and equipment. This includes commitments for capital expenditure.
b) Under the terms of ACU's prospecting licences, Matsitama is obliged to incur certain minimum expenditures.
c) ACU has entered into agreements to lease premises for various periods.
d) The period refers to the calendar year ended.

9. Related party transactions

There were no changes with respect to the nature or terms of related party transactions during the period to that previously reported apart from the settlement reached with iCapital which is described in the Contingent liability note 5.

10. Dividends

No dividends were declared for the year under review.

11. Events after the reporting period

No event, material to the understanding of these financial statements, has occurred between the reporting date and the date of approval of the financial statements *except* for the settlement agreement reached with iCapital as described in note 5 Contingent Liability, and the Company obtaining an extension on a letter of support from its controlling shareholder, to the value of US$7 million.

12. Audit opinion

The annual consolidated financial statements, from which the abridged financial statements were derived, have been audited by KPMG Inc. Both the consolidated financial statements and the unqualified audit opinion with the emphasis of matter paragraph are available for inspection at the registered office of ZCI.

The emphasis of matter paragraph draws attentions to note 4 of the abridged consolidated financial statements which indicated that the group incurred a net loss of US$1.6 million for the year ended 31 March 2013. This condition, along with other matters as set forth in the note, indicates the existence of a material uncertainty that may cast significant doubt on the ability of the company and its subsidiaries to continue as going concerns. The audit opinion is not qualified in respect of this matter.

The auditor's report does not necessarily cover all of the information contained in this abridged report. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's work they should obtain a copy of that report together with the accompanying financial information from the registered office of the company.

ZCI LIMITED

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Notes to the abridged consolidated financial statements

13. Mineral Resources and Mineral Reserves

Since the previous financial year no material changes to the Mineral Resources and Ore Reserves disclosed in the ZCI Integrated report for the year ended 31 March 2013 are expected other than depletion, due to continued mining activities.

14. Notice to members of annual general meeting

Notice is hereby given that the annual general meeting of members of ZCI Limited will be held at Hotel Novotel Luxembourg Kirchberg, Quartier Européen Nord Kirchberg, 6, rue du Fort Niedergrünewald, Luxembourg on Thursday, 26 September 2013 at 14.30 CET (13.30 BST, 14.30 SAST).

15. Directors

During November 2012 KL Bergkoetter resigned as financial director and on the same date W Badenhorst was appointed as financial director.

16. Directors' responsibility

The abridged report is extracted from audited information, but is not itself audited.

The directors take full responsibility for the preparation of the abridged report and the financial information has been extracted correctly from the underlying audited annual consolidated financial statements.

On behalf of the board of directors

Thomas Kamwendo
CEO – ZCI Limited

Willem Badenhorst
Financial Director

28 June 2013

Directors: W Badenhorst, M Clerc*, E Hamuwele*, T Kamwendo, C O'Connor* and S Simukanga* (* non-executive)
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Transfer secretaries: Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001, South Africa
Sponsor: Bridge Capital Advisors (Pty) Limited, 27 Fricker Road, lllovo Boulevard, lllovo, 2196, South Africa
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