ZCI Limited

Integrated Annual Report
for the year ended 31 March 2012

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ABOUT THIS REPORT

This Integrated Annual Report (the "Integrated Report" or the "Report") covers the financial reporting period from 1 April 2011 to 31 March 2012 of ZCI Limited ("ZCI" or the "Company"). The Report covers the operations at a Group level to include the activities of African Copper plc ("ACU") in which ZCI holds a controlling interest, as well as the mining activity of the subsidiaries of ACU (collectively the "Group" or the "ZCI Group").

It is our aim with this Integrated Report to present the risks and opportunities that the Company faces, together with disclosure of our environmental, social and governance responsibilities and issues. This Report allows us to emphasise the fundamental link between our financial and non-financial performance and how they are derived from and influence our business strategy. We have applied the following reporting principles and frameworks in the preparation of this Report:

Framework, codes, guidelines	Framework for the following sections
International Financial Reporting Standards ("IFRS")	Annual Financial Statements
Global Reporting Initiative G3 ("GRI")	Sustainable development information
SAMREC code	Mineral resources and reserves
JSE Limited ("JSE") listing requirements	Throughout report
King Report on Corporate Governance ("King III")	Corporate governance

The structure of this Report differs somewhat from the previous annual reports as it incorporates all of the elements of an integrated report. ZCI's reporting is still evolving pursuant to the integrated reporting principles and best practice and the quality and level of disclosure will improve over time. The navigation table below details the elements of integrated reporting and the sections where these elements are incorporated into the Report:

Elements of integrated reporting	Sections of integrated report	Page ref
Stakeholders	Identification of stakeholders and stakeholder interest	8-10
Material issues	Material issues affecting strategic objectives	11-13
Strategy	Introduction to the Company's strategic objectives	14
Future performance	Chairman's report	15-17
Performance	Chief executive officer's report, Operational review	18-22
Remuneration	Annual financial statements and Remuneration Committee report	39, 79

External assurance in this Report has been undertaken with respect to the consolidated group financial statements by ZCI's independent external auditor, KPMG SA ("KPMG" or the "External Auditor"). The Mining and Mineral Reserves section of the Report has been reviewed and approved by Mr David De'Ath, who is a qualified person for the purposes of NI 43-101, and the SAMREC and JORC codes, and the Operations Manager of Messina Copper (Pty) Ltd.

It is the ZCI Board of Directors' (the "Board's") responsibility to ensure the integrity of the Integrated Report. Accordingly the Board applied its mind to the Integrated Report and in its opinion, the Integrated Report addresses all material issues, and presents fairly the integrated performance of the Group and its impacts. The Integrated Report has been prepared in line with best practice pursuant to the recommendations of King III (principle 9.1). The Board authorised the Integrated Report for release on Monday 17 September 2012.

KEY HIGHLIGHTS OF THE 2012 INTEGRATED REPORT

Record production levels in March 2012
Read more on page 20

- Ore processed 2012 738,921Mt (2011: 632,981 Mt)

Copper produced in concentrate 67% higher than 2011
Read more on page 20

- Copper produced in concentrate 2012 of 6,910Mt (2011: 4,143 Mt)

Revenue increased to US$42.8 million (2011: US$24.7 million)
Read more on page 20

- Average grade 2012 of 1,93% (2011: 1,37%)
- Average recovery 2012 of 48,4% (2011: 47,7%)
- Payable copper sold 2012 6,245Mt (2011: 3,841 Mt)

Exceptional safety performance
Read more on page 18

- Lost time injury frequency rate 0.31 in 2012 (0.71 in 2011)
- Zero fatalities

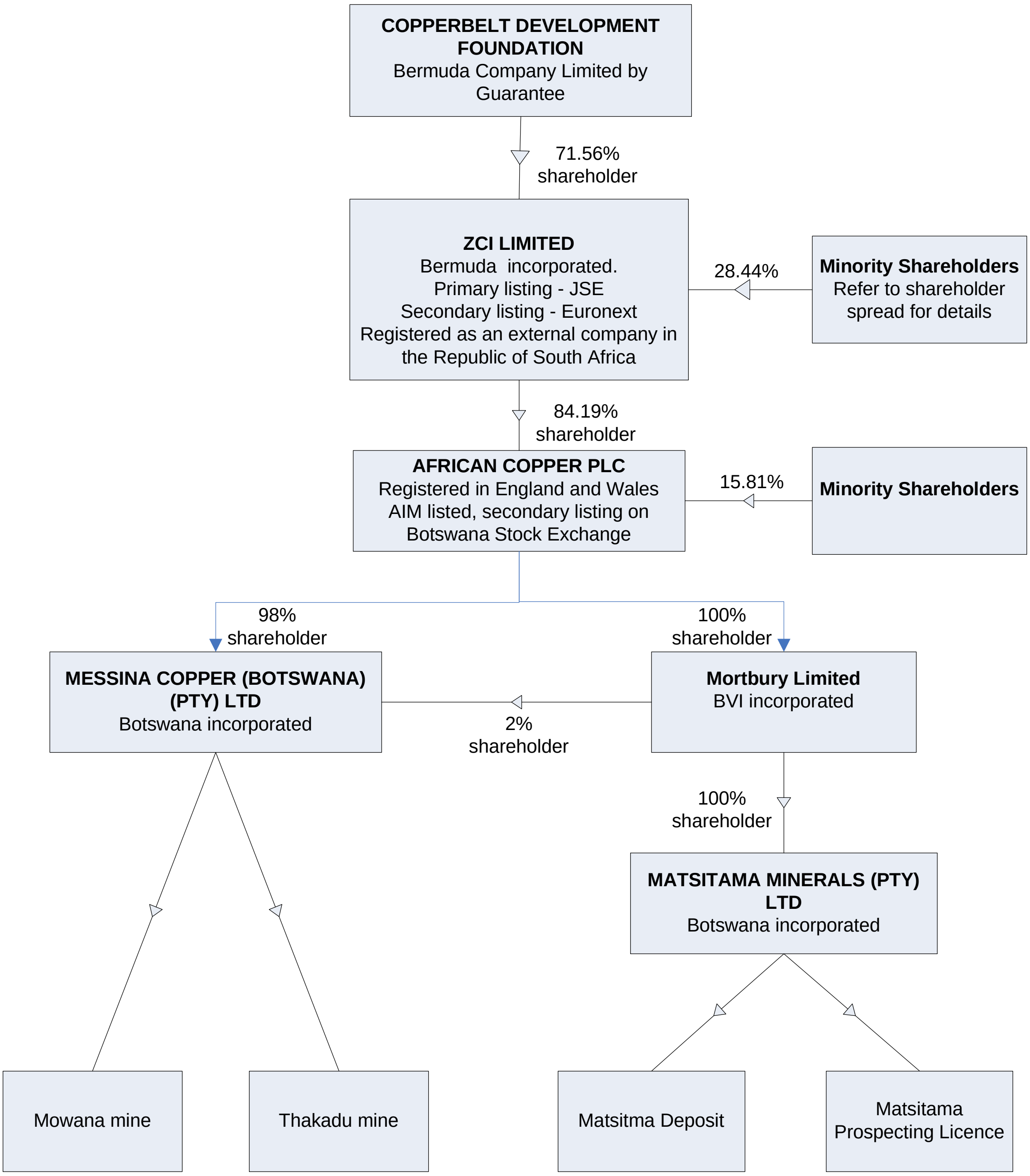
Executive and operational team strengthened
Read more on p 36

- Appointment of CEO
- Ken Masogo appointed General Manager of ACU operations in Botswana

Appointment of RMB to realise shareholder value
Read more on p 18

ORGANISATIONAL OVERVIEW

GROUP STRUCTURE



ZCI owns 84.19% of African Copper plc ("ACU") and has the option (at its election) to convert certain of its shareholder loans into additional ordinary shares in ACU in order to increase its shareholding to up to 90.1% of ACU.

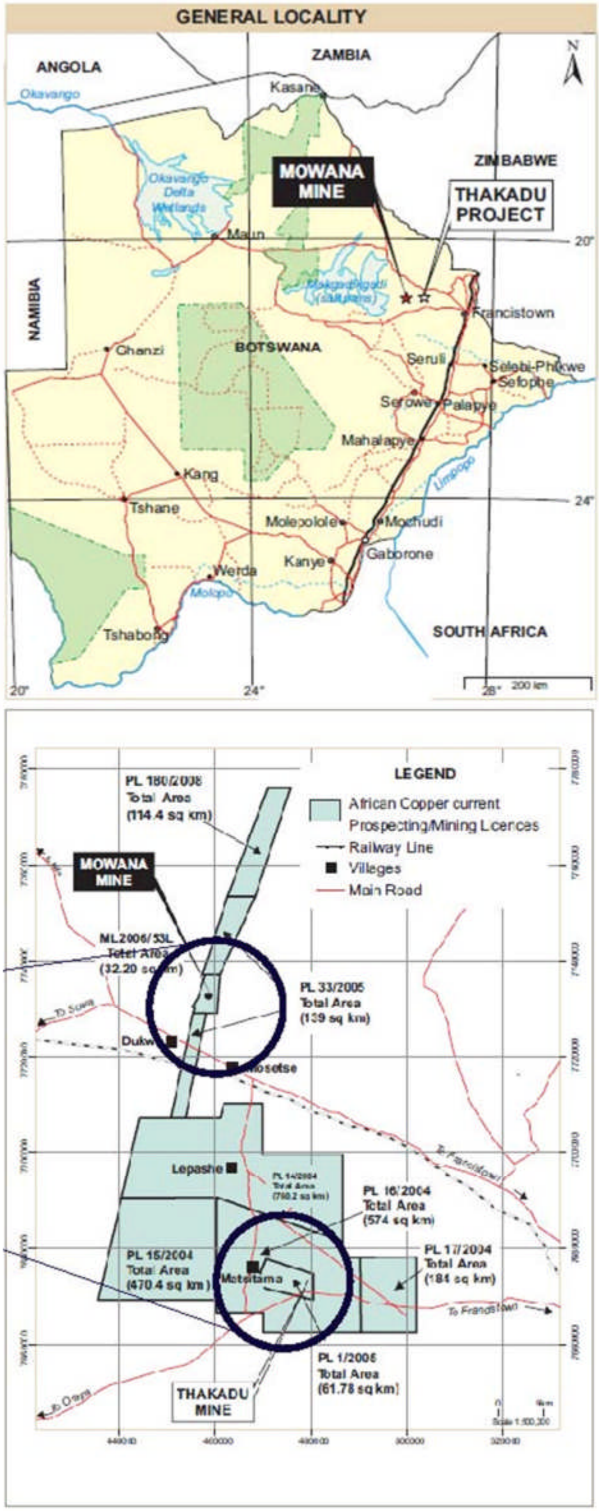
Both ZCI and ACU are investment holding companies and have no trading activities as such, other than providing financial and strategic support to the two operating subsidiaries.

The Group's main project is the copper-producing open pits at the Mowana and Thakadu Mines. The Group also, through its subsidiary Matsitama Minerals (Pty) Ltd ("Matsitama") own the rights to the adjacent Thakadu-Makala deposits and holds permits in exploration properties at the Matsitama project.

ORGANISATIONAL OVERVIEW

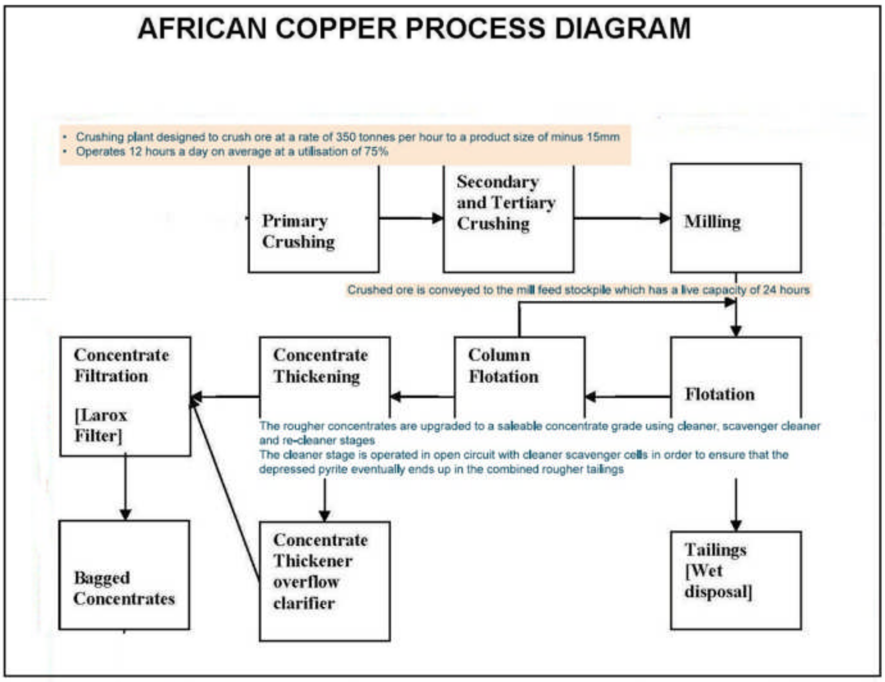
WHERE WE OPERATE

The Mowana Mine is located in the north-eastern portion of Botwana and the Matsitama Project is contigious to the southern boundary of the Mowana Mine.



ORGANISATIONAL OVERVIEW

WHAT WE DO



IDENTIFICATION OF KEY STAKEHOLDERS AND STAKEHOLDER INTERESTS

The ZCI Group recognises its stakeholders as being all parties affected by the actions of the Company and the wider operations of the Group.

The Board appreciates that stakeholder perceptions affect the Group's reputation. Stakeholder relationships are seen as a fundamental and inseparable component of ZCI's strategic interests and objectives.

The key stakeholder groups of the Group are identified below.

Stakeholder	How we communicate with them	What matters to them	What concerns them	How we respond to their concerns
Shareholders	Annual reports Share market announcements Annual General Meeting Engage regarding matters of strategy and governance	Profit Sustainable growth Strategic direction	Escalating costs Capacity of ACU to repay loans from ZCI Outcome of RMB engagement process Liquidity Risk	Increased application of King III corporate governance principles Strategic Reviews Risk Management Require regular feedback on management's execution of KPI's
Employees	General notices SHEA topic of the month to focus on important issues Monthly staff briefings Newsletters Notice boards Performance reviews	Fair remuneration and benefits Job security Training and mentoring Health and Safety Community issues including housing and job creation	Recruitment of scarce skills Opportunities for advancement Job security Incentives and bonus schemes HIV/AIDS Resolution of industrial relations issues	Targeted skills training programs Involvement in the Botswana Government internship program ACU has established a Safety, Health, Environment and Archaeology ("SHEA") department which is responsible for the day to day management of sustainability issues. Health clinic registered with Ministry of Health HIV/AIDS management and wellness program Hygiene monitoring Alcohol and drug testing procedures in place Adopted quality and safety standards which aresubject to regular monitoring
Government	Networking and briefing sessions Press releases Telephonic and other interviews	Statutory and legal compliance Safety Local economic development Transparent disclosure	Safety Preservation of archaeological sites Non-compliance Default risk	Regular contact, briefings and networking sessions allows face to face interactions Written communications often used to answer questions

Stakeholder	How we communicate with them	What matters to them	What concerns them	How we respond to their concerns
Communities	Interaction through a community liaison officer Meetings with local farmers Engagement with members of the Matsitama village Interaction and visits to the Matsitama community by management and the local government	Sustainable socio-economic development Corporate social investment initiatives Pollution, safety and health matters Significant changes to existing operations	Low Corporate Social Investment Low employment numbers of people within catchment area Mine traffic through villages Dust	Obtained the priority requirements from the five villages to be aware of their direct needs and, cash permitting, start planning to assist. Annual workshops will be held with village leaders to ensure a focussed approach to CSI and the impact of mining around the villages.The first workshop is planned for the last quarter of 2012. Annual donations to surrounding villages Short term unskilled labour is sourced within communities where possible. Monthly analysis of water samples and recycling of water through wet tailings disposal facilty. Constructed by-pass roads to direct ore haulage trucks away from village centres. Dust along the access roads is being addressed.
Key service providers	Weekly meetings with contractor and operations management teams	Payment terms Duration of contracts Input costs	Late payments Short contract duration at Thakadu due to shorter life of mine	Provide technical support to the contractors to help them lower overhead costs to make them profitable at lower rates Transparency during contract negotiations.
Customers	Regular meetings Site visits	Quality products Timely deliveries Reliability	Product quality issues Availability of stock	Whenever product quality issues are raised, management respond by doing site investigations and also using third parties to investigate impurities or contaminants. Management closely interacts with the off-taker re production forecasts.

MATERIAL ISSUES AFFECTING STRATEGIC OBJECTIVES

The Global Reporting Initiative ("GRI") defines material issues as "topics and indicators that reflect the organization's significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of stakeholders". For the purposes of this Report, ZCI considers material issues as those which could have a significant impact on the performance of the Company and its investments in the next three to five year period.

Outlined below are some of the key risks identified by ZCI in the context of how they could impact on the achievement of the Company's strategic objectives. Also identified are some of the activities being undertaken to achieve the Company's strategic aims, mitigate identified risks and provide future opportunities. For further details regarding the approach to risk management, refer to the Chairman's and Chief Executive Officer's (CEO's) reports.

Material issue	Context	Why it is material	Opportunities	Risk mitigation	Strategic response	Key performance indicators (KPI's)	Performance against KPI's
Plant reliability, efficiency and maintenance	The plant has not yet achieved consistent and uninterrupted production. This adds to higher maintenance and operational costs.	Production remains below full capacity. Maintenance costs, caused by major component inefficiencies and design upgrades, were higher than originally anticipated. Productivity is dependent on removal of bottlenecks.	Staff training Capex to target identified bottlenecks Process upgrades Enhance internal controls Investigate alternative production processes	Training sessions for plant personnel on Milling and Flotation modules. Ensure key spares are kept in stock to minimise downtime. Commenced capex spending on key areas to reach adequate levels	Change processing strategy to focus on production of higher grade ore. Additional capex investment Staff incentive program linked to production output. Enhanced monitoring of internal control structures and reporting on KPIs	Average recovery: Cu grade Maintenance shutdowns (crushers and milling): Duration of shutdowns: Planned output: • Milled 908,820 tonnes • Production Cu tonnes 9,338 Budgeted capex of US$9 million Mill average monthly engineering availability 92%	Target 58.1% Actual 48.4% Cu grade 1.93%(2012) 1.37%(2011) Number of shutdowns: Planned 36 Actual 36 Shutdowns in hours: Planned 756 Actual 571 Actual output: • 738,921 tonnes milled • Produced Cu tonnes 6,907 Actual capex approx. US$7.9 million Mill average monthly engineering availability 87%

Material issue	Context	Why it is material	Opportunities	Risk mitigation	Strategic response	Key performance indicators (KPI's)	Performance against KPI's
Attraction and retention of skilled employees	Retaining and motivating employees especially in the technical and engineering fields remains a concern.	Key knowledge and experience is being lost, fuelled by high labour turnover for technical expertise and poaching of staff within the industry.	Employee value proposition and retention mechanism could be enhanced. Training programs to boost skill levels of existing staff	Key members of staff have been identified and retention bonuses awarded to them. Identify and address staff concerns	Create a safe and healthy environment for employees, as it is a key factor to retain the best people and knowledge. Incentive programs for key staff members.	No. of technical vacancies Total staff turnover Lost time injury frequency rate ("LTIFR") Fatalities	Beginning of the financial year: 5 End of the financial year: 10 2012: 53 employees (24 skilled) 2011: 16 employees (10 skilled) 2012: 0.31 2011: 0.71 Zero fatalities

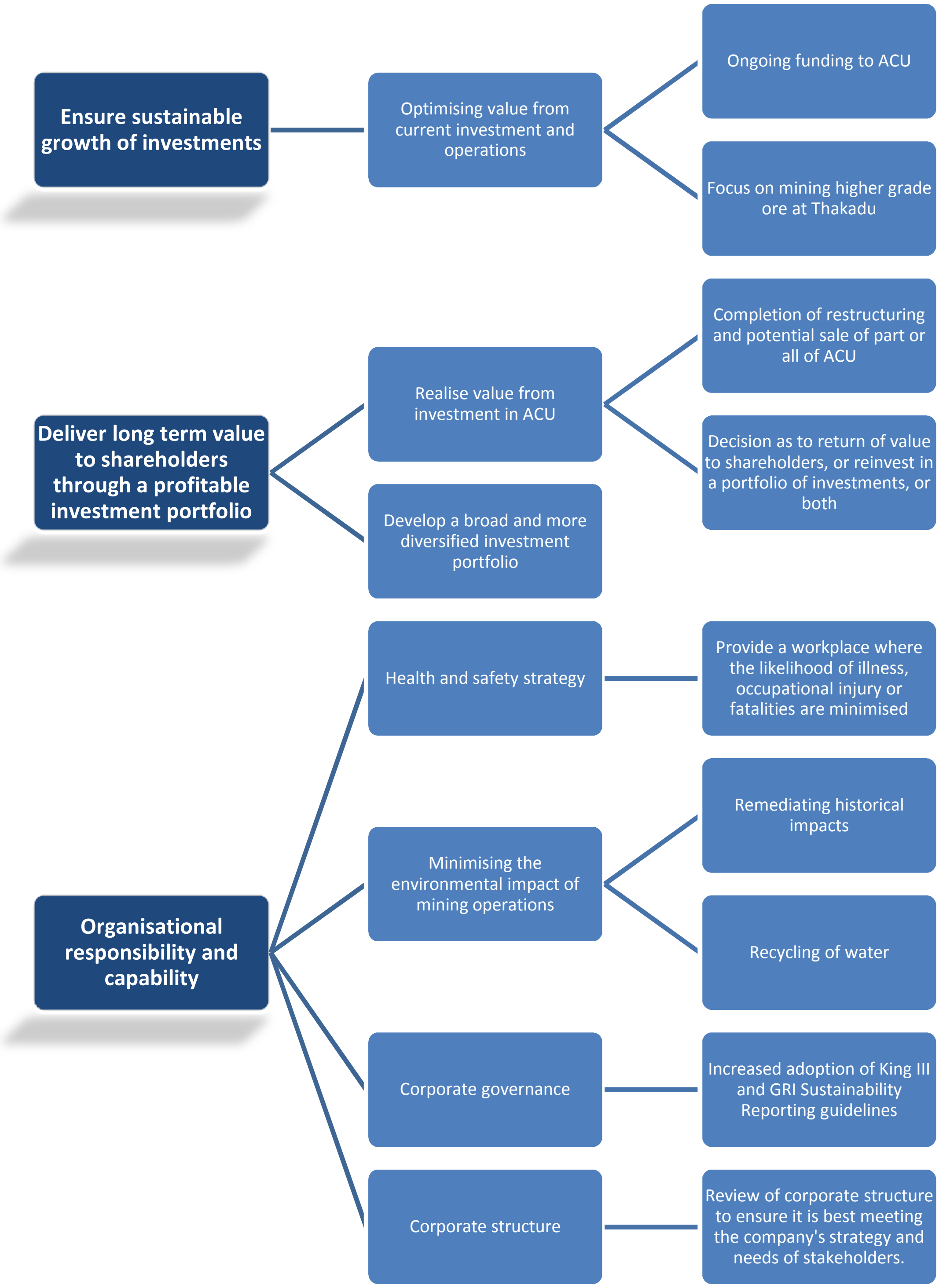
Material issue	Context	Why it is material	Opportunities	Risk mitigation	Strategic response	Key performance indicators (KPI's)	Performance against KPI's
Shareholder returns and sustainable business	The Company currently has only one investment. The strategic investment plan for the Company included a diversified investment portfolio.	ACU has not been able to repay its loans to ZCI and the desired return on investment has not yet been achieved. The current investment portfolio does not provide other significant sources of income. Achieving consistently profitable production levels may require additional capital investment in the operations. Reliance on key service providers at the ZCI level.	Broadening the investment base will diversify risk. Continued exploration expenditure Review of the Group structure to consider how the complexity of the structure can be reduced and compliance risk and costs can be minimised	ZCI engaged Rand Merchant Bank ("RMB") to perform a restructuring and potential sale process to realise shareholder value. The process is still ongoing. In addition, the Company continued to provide financial support to ACU. A CEO was appointed to be more actively involved with the Group's operations and to drive strategic direction.	Upon completion of the RMB process, the Board will make a decision with regards to the return of value to shareholders or reinvestment in an investment portfolio, or both. Strategic review to consider simplifying the structure to best match the strategic goals of the Company. Review of board structure, reliance on key service providers and executive management team structure.	Net asset value per share ("NAV") Earnings per share Headline earnings per share	NAV 2012: US$1.79 per share NAV 2011: US$2.27 per share 2012: 52.21 US cents (loss) 2011: 8.47 US cents (loss) 2012: 14.48 US cents (loss) 2011: 8.47 US cents (loss)

INTRODUCTION TO THE COMPANY'S STRATEGIC OBJECTIVES

The ultimate responsibility for the strategic direction of the Company lies with the Board of Directors. The Board of Directors delegates responsibility through the management structure to ensure that the day to day management of the Group is undertaken with a view to the achievement of the Company's strategic objectives.

ZCI defines stakeholder value as obtaining a healthy return on invested capital through a combination of sound financial management and sustainable investment principles.

The strategic themes of ZCI as detailed throughout this Integrated Report are outlined and unpacked below:



CHAIRMAN'S REPORT

I am pleased to provide to all stakeholders of the Group my first report as Chairman of the Board of Directors of ZCI Limited.

The period covered by this Report has been a period of challenges and change. In this Report I have sought to include information to allow our stakeholders to get a better picture of where we are, what we stand for and where we would like to be as a company.

Effective running of the board

As Chairman of the Board I have many responsibilities including ensuring that the Board takes full responsibility for the important issues facing the Group, that the Board has the right mix of skills and experience to meet the challenges that it faces, and that the Board understands the risks and challenges that its strategies must take into account. The appointment of Tom Kamwendo as CEO has been the major corporate governance development during the year and will help to ensure that I as Chairman and the rest of the Board are well placed to meet all of our objectives.

The Board met regularly during the year to ensure that it was capable of fulfilling its charter and dealing with the many strategic and risk management issues that have arisen during this period of change. Much work has been put into ensuring the Company is adequately addressing risk and considering issues of strategic importance.

The Board welcomes feedback from CDF as its major shareholder and considers the interests of all stakeholders in formulating its policies and strategies.

Corporate governance and compliance achievements

The Board is aware of the need to comply with the JSE Listing Requirements, as well as to ensure the Company's corporate governance principles are in accordance with best practices. Significant progress in the area of governance and compliance, including the increased implementation of King III principles have been made since the last reporting period.

In line with the strategic objectives of ZCI, the Board will continue to ensure ongoing compliance with regulatory requirements and improved corporate governance.

Risks and risk management

In line with King III requirements we have sought to provide our stakeholders with an increased amount of information on how risks are managed within the Group.

ZCI's investment in the mining operations of ACU has many risks, many of which are common to all mining enterprises. As the drive toward commercial production levels continue, our risk management focus has been on ensuring risks at an operational level are considered and action plans to combat them are implemented. While ZCI can exercise little control over world commodity and foreign exchange rates, I am confident that the risk management and internal controls in place at ZCI are addressing the key issues under our control.

Achieving optimal production in the mining operations of the Group will require additional capital investment. During the year under review RMB has been engaged to identify potential parties with sufficient resources to support the development of the Group's operations and realise its potential value.

Outlook

Global copper market

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.

The copper market has strong underlying fundamentals which should support demand for copper through the current period of global instability in world markets.

Global growth in metal consumption is being driven by BRICS countries, predominantly China and India. Growth in global copper consumption will be closely linked to demand from China, the world's largest copper consumer. The use of copper as an industrial metal in such applications as buildings, electronics, appliances and automobiles means that demand is sensitive to fluctuations in the global economy.

Early 2012 saw a strong rise in the price of copper which has seen many analysts take a bullish viewpoint for the copper price in 2012. A strong copper price for the coming period will have positive implications for the profitability of the Group's operations.

Botswana

The mining operations of the Group are undertaken in north eastern Botswana. The economic and political stability both of Botswana and its neighbouring countries are deeply relevant to the outlook of the Group.

Botswana continues to be a politically stable environment for the Group's mining activities when compared to other countries in the region.

The 2011-12 Fraser Institute mining policy survey ranked Bostwana as the highest in Africa (17^{th} overall worldwide). Further, in 2011 the Ibrahim Index of African Governance, which provides an annual assessment of governance performance in every African country, placed Botswana third in the overall ranking, behind only Mauritius and Cape Verde. Botswana achieved the highest ranking of all African countries in the categories of Rule of Law and Accountability. The country was ranked second in National Security and third in terms of the grouped categories of Sustainable Economic Opportunity. These results reflect the comparatively favourable environment in which the Group's mining operations are undertaken.

The Botswana labour regime can be regarded as friendly with limited labour stoppages. Increased investment in Botswana by competitors will increase the demand for skilled labour. Incentive schemes and training plans are in place to help reduce the impact of skilled labour being attracted to the mining operations of competitors.

Mining operations

ZCI has undertaken significant investment in the Thakadu and Mowana mining operations with a view to obtaining self-sustaining levels of production.

Our properties provide tremendous opportunities for growth. Despite the short term difficulties experienced in the early part of the current fiscal year, we expect to realise the benefits of our capital expenditure programme through the remainder of the year and to experience greater operating stability, allowing us to increase our throughput gradually and to ramp up our production.

Forward looking statements

A key driver in the Company's future direction will be the need to create value for shareholders. The Group will also continue to create value for its employees and the communities in which the Group operates. Sustainable growth will be a key component of any future strategic direction of ZCI.

The engagement of RMB to realise value from the investment of ZCI in ACU will have significant implications for the strategic direction of ZCI and the Group. ZCI will seek to keep its stakeholders up to date with as much information as possible regarding this process as well as ensuring that the value to our stakeholders is maximised by the process.

The appointment of a CEO has already provided a strong focus for moving forward with the Company's strategies and helped ensure that the interest and concerns of ZCI are well represented throughout the Group structure.

Finally, I would like to thank my fellow Board members for their dedication and contribution throughout the year as well as the reliable and appreciated work done by our major service providers. We again thank Thys du Toit for his valuable contributions as a director of ZCI and welcome Professor Cyril O'Connor to the Board.

Edgar Hamuwele

Chairman - ZCI Limited

17 September 2012

CHIEF EXECUTIVE OFFICER'S REPORT

Introduction

I am pleased to present to all ZCI stakeholders the Integrated Report for the period ended 31 March 2012. This Integrated Report details the activities of the Company during the previous period including details of financial and sustainability performance, as well as detailing the many challenges, issues and opportunities for the Company.

Operations

ZCI has continued its ongoing financial support of the Group's mining activities. The short to medium term goal of this investment is to provide a platform on which mining operations can reach commercial production levels and become cash flow positive and self-supporting. While it was envisaged that the mining operations would be self-supporting by this stage of operations, management has made significant progress towards achieving this objective, which is evident from the significant increase in copper produced.

One of the key drivers behind my appointment to the position of CEO on 1 November 2011 was to ensure that ZCI is able to have a greater presence and influence over the mining operations to ensure that full value is being achieved for our stakeholders. I have been working closely with our management team to help ensure they have the resources available and that production targets can be achieved sooner rather than later.

I extend my appreciation on behalf of the Company to the hard working and dedicated management and operations staff at the Mowana and Thakadu operations and at the Matsitama project.

Safety, Environmental issues and Communities

The Group achieved a fatality free year with a 56% decrease in the LTIFR from the previous year. We are very proud of this achievement.

We remained cognisant of the increasing emphasis on environmental accountability and took various actions to avoid contamination of water supply and avoid damage of archaeological sites. The first phase of our wet tailings facility has been completed whereby mining waste is disposed of and water recycled.

The plan towards developing our Corporate Social Investment programme have taken a more structured approach with inputs obtained from the five villages in the surrounding area to determine their key needs. We are very positive about the workshops we plan with community leaders during the latter part of 2012 as the next big step in this regard.

Strategy

A common theme in the 2011 Annual Report was that ZCI is undertaking a period of transition in which the Company would seek to re-align its investment portfolio with its strategic objectives.

The engagement of Rand Merchant Bank Corporate Finance ("RMB") to realise value from the investment of ZCI in ACU was the first step in this direction and it will have significant implications for the strategic direction of ZCI and the Group. Once this process is complete and pending the outcome thereof, the Board will reassess the Company's strategy and determine key initiatives, activities and processes to achieve these goals.

During the year however, with plant efficiency and sustainable growth for ACU in mind, key capex projects were undertaken such as commissioning of column flotation cells, installation of a Larox filter to ultimately reduce transportation costs, upgrades to conveyors and pumps, road rehabilitation between Thakadu and Mowana, upgrades to the wet tailings storage facility and replacement of the secondary and tertiary crushers. These were all instrumental in achieving the results for the past financial year.

Risks

Risk management is a key component of the decision making process within ZCI. Many of the risks faced by ZCI are common to all companies involved in mining operations and some of the risks are particular to the nature of ZCI's structure, operations and investment portfolio.

ZCI has defined material issues or risks as "topics and indicators that reflect the organisation's significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of stakeholders". This enabled the Board to identify material issues and risks faced by the Group as well as corresponding strategies.

The appointment of RMB will help alleviate some of the immediate risks being faced by ZCI and the Group. A lack of diversity in the investment portfolio of ZCI and the risks that this can present is one of the key drivers behind the appointment of RMB. Attaining full value from the Group mining operations will require further investment to support the rapid development of the resource to its maximum level.

ZCI currently has one major investment being debt and equity held in ACU. Considerable investment has been made by ZCI into achieving production levels at which the operations can be financially self-sufficient. These production levels were not met in the year under review and this represents a financial risk for ZCI and the Group. Overcoming the issues preventing the achievement of our production targets is the key focus of management and all employees throughout the Group.

Only upon achievement of consistent cash flow positive production levels will the value from the investment and potential benefits to all stakeholders be obtained. The Board remains confident that these production levels can be achieved and the mining operations continue to have our full support.

Mr Thomas Kamwendo

CEO - ZCI Limited

17 September 2012

OPERATIONAL REVIEW – MINING AND EXPLORATION ACTIVITIES

Mowana Mine and Process Plant

During the period under review we continued our progress towards achieving stable operations at the Mowana mine in north-east Botswana and have been active in implementing the capital expenditure programmes necessary to support this goal. For the year ended 31 March 2012, we produced copper in concentrate of 6,910 tonnes, 67% higher than the corresponding period last year, and we achieved record production levels in March 2012. This increased production reflected the following factors:

- greater plant throughput as the plant became more stable – we processed 738,921 tonnes of ore in 2012 compared to 632,981 tonnes in 2011 – a 16.7% increase

- higher grade as a result of a greater percentage of ore from the Thakadu pit rather than the Mowana pit – the average grade in 2012 was 1.93% compared to 1.37% in 2011 (a 40.9% increase). In 2011, the majority of the ore processed came from the Mowana pit whereas in 2012, 73% of the ore came from Thakadu (which has an average grade in excess of 2%)

However, recoveries remained largely the same between the two periods at 48%. We expect recovery rates to improve significantly as we continue to develop the Thakadu deposit, with the relative percentage of oxide ore processed through our plant declining during the coming year and that of higher-recovery sulphide ore increasing. This shift will also correspondingly reduce our reliance on chemical reagents – a significant expense during the period.

Our operating costs per tonne remained above budgeted levels. Maintenance costs, caused by major component inefficiencies and design upgrades throughout the plant, were higher than we originally anticipated. On average, the plant processed about 62,000 tonnes per month during the year, compared to its design capacity of 90,000 to 100,000 Mt. While many of the past production bottlenecks have now been addressed, the introduction into the plant of the oxide ore from the Thakadu deposit required different plant set-up and settings and a corresponding learning curve, all of which increased our production-related costs.

During the year we spent approximately $7.9 million on capital expenditure upgrades at the plant. The major expenditures were as follows:

- Column flotation cells to remove impurities, specifically silica, during flotation and increase concentrate grades – these are commissioned and running

- Larox filter, allowing higher throughput of concentrate with a lower moisture content, ultimately reducing transportation costs to smelters – these are commissioned and running

- Secondary and tertiary crushers, enhancing operational efficiency and increasing throughput to the mill - these were installed at the end of 2011 and have been highly effective

- Upgrades to conveyors and pumps – these are ongoing and will help sustain stable operations.

- Road rehabilitation between Thakadu and Mowana

- Upgrades to the wet tailings storage facility

In order to accelerate to higher grade Thakau sulphides, mining activities at the Mowana open-pit were stopped and the Mowana mining fleet moved to Thakadu. This is in line with our processing strategy, as described below, to maximise copper units through the plant by focusing production on higher grade ore. We plan to recommence mining activities at the Mowana pit in April 2013, a schedule has been developed which provides adequate time to perform the necessary waste stripping to have the pit capable of providing the necessary ore when the reserves at Thakadu are depleted which is expected to be in mid 2014.

Thakadu Mine

Thakadu is the Group's high grade copper-silver deposit, lying about 70km from the Mowana processing infrastructure. The open pit mining area in the original Thakadu Mining Licence issued in December 2010 excluded an archaeological site area containing approximately 1.0 million tonnes of ore out of the 2.4 million tonnes of available reserves at that time. As announced on 1 November 2011, the Group was successful in receiving permission from the Ministry of Minerals, Energy and Water Resources to mine this previously excluded area by open-pit means.

Thakadu's ore is shipped to the Mowana mine processing facility and shares the Mowana mine infrastructure and management. The pure Thakadu oxide layer is a relatively small portion of the deposit and is estimated to sit approximately 30 metres from the surface. To date, this highly oxidized ore has been difficult to process, as evidenced by the 2012 recovery rate of 48%. As noted, to assist in improving recoveries from the oxide ore, we employed a series of chemical reagents, significantly increasing the cost of processing. These chemicals will not be required as the mine moves into the sulphide ore. While historical test work estimated a recovery of some 40% for the Thakadu oxide ore, the corresponding estimate for the sulphide ore is in the range of 80% to 90%.

After mining down approximately 45 metres to date, there are some positive indications of ore quality improvement, with significant pockets of sulphide ore already extracted. Current mining activities are starting to access sulphide material with grades in excess of 2%. Over the next year we expect the volume of copper units produced to increase as sulphide ores become available from the Thakadu pit.

Exploration

During the current financial year we undertook an exploration drilling programme to determine the nature and extent of the Mowana ore body extension northwards of the current open pit. This area was sparsely drilled by Falconbridge Botswana in the early 1980’s. A total of 60 boreholes were drilled over a 2km strike length, comprising 17,550 metres of percussion drilling and 20,617 metres of diamond drilling. Copper mineralisation was shown to extend for the full 2km northwards to a depth of 550 metres. Geological modelling and resource estimation for the Mowana North area is currently underway.

As announced on 24 July 2011, we were granted a two year renewal by the Minister for Minerals, Energy and Water Resources, Botswana on four of our six prospecting licences (PL 14/2004, 15/2004, 16/2004 and 17/2004, totalling 1,988.6km2 in extent and covering much of the highly prospective Matsitama Schist Belt). The Group also holds title to two other prospecting licences in the Matsitama Schist Belt, which collectively cover an area of 96.2km2. The Company spent $3 million dollars on exploration at the Matsitama Project with the focus primarily on iron-oxide-copper-gold ("IOCG") mineralization. These deposits can be very large, capable of supporting mining operations for periods of 30 or more years. It has long been believed that the Matsitama Schist Belt may host IOCG mineralization but until recently, no conclusive proof had been found to confirm the existence of this type of deposit in the belt. The Company is investigating three highly prospective IOCG targets: the Nakalakwana Hill, Lepashe and Matsitama West targets.

As part of the programme completed during the year, we commissioned a three dimensional induced polarisation ("IP") survey over the Nakalakwana area where the previous Phase I drilling programme had indicated possible IOCG type mineralisation. We subsequently generated four drill targets from the IP data and as of early April 2012, had completed approximately 6,000 metres of drilling on this prospect. Meanwhile we received positive metallurgical test work results for sample material indicating that a saleable copper concentrate could be realised by standard flotation.

Site preparation ahead of geophysical surveys is on going on the Matsitama West and Lepashe IOCG targets. We conducted a magnetic induced polarisation (MIP) survey over the Matsitama West target. We subsequently generated four drill targets from this work, which are still to be drill tested. We started reverse circulation drilling at the Phute prospect based on known historical geochemical and geophysical anomalism in the area.

We collected a bulk sample from the Gamogae target for up-front mineralogical analysis and carried out metallurgical test work to explore the potential of the exposed ironstone at this target as a source for iron ore. Current results suggest a very fine grind would be required to liberate the iron. Separation by gravity using spirals is yet to be tested. We also plan to map the 13km exposed strike for alteration and structure for possible banded iron formation (BIF) hosted gold. The Gamogae is also a target for IOCG type mineralisation.

MINING AND MINERAL RESERVES

The Group has commissioned David De'Ath to undertake a review of the Group's Mineral Resources and Mineral Reserves and to provide updated estimations for 2012. Mr. De'Ath is a qualified person for the purposes of NI 43-101, and the SAMREC and JORC codes and is recognised as a competent person to sign off on the mineral resources and reserves disclosure in the South African jurisdiction. This mining and mineral reserves statement is provided in compliance with the company's disclosure obligations as set out in 8.63(l) of the JSE's Listing Requirements.

The Company's disclosure in accordance with 8.63(l) complies with the South African Code for Reporting Mineral Resources and Mineral Reserves (the SAMREC Code).

ACU has legal entitlement to the minerals being reported on, by virtue of prospecting and mining licences held by Messina Copper and Matsitama Minerals; and there are no known impediments to the minerals being reported upon. There are currently no material risk factors affecting mineral resource/ reserve statements.

The Directors of ZCI Limited, at the time of publishing of this report, were unaware of any legal proceeding or other material conditions that may impact on the Group's ability to continue mining or exploration activities.

Mr De'Ath is the Operations Manager of Messina Copper (Pty) Ltd. At the time of publication of this Report, Mr De'Ath holds options over 1,410,000 ACU shares but he does not have any direct or indirect beneficial ownership in ACU or other Group companies.

Mowana Mine

The table below sets out estimates of proven and probable mineral reserves and additional inferred mineral resources at the Mowana Mine. These estimates were prepared for ZCI by Read, Swatman & Voigt (Pty) Ltd ("RSV") in connection with the preparation of a circular to ordinary shareholders of ZCI dated 17 December 2009, and appeared in a Competent Persons Report of RSV dated October 2009 (the "CPR").

In preparing the CPR, RSV reviewed the Company's existing Mineral Resource and Mineral Reserve models for the Mowana Mine, which were calculated on assumptions determined to be appropriate by African Copper (including a 0.10% Cu cut-off grade), and which have previously been disclosed by African Copper in an announcement dated 26 November 2007. RSV applied its own set of assumptions (including a higher cut-off grade of 0.25% Cu) and re-estimated certain values. These reserves have been re-estimated allowing for depletions due to mining between the period August 2009 and 31 March 2012.

Proven & Probable In-pit Mineral Reserves and In-pit Inferred Mineral Resources at a 0.25% Cu cut-off as at 31 March 2012:

Category	Tonnage (Mt)*	Copper (%)*	Contained metal* (Tonnes Cu)
Proven Reserves	7.29	1.27	92,640
Probable Reserves	3.09	1.61	49,683
Sub Total	10.39	1.37	142,503
In-pit Inferred Resources	2.44	1.22	29,738

*Rounding of figures may result in minor computational discrepancies

The inferred material has been included at the bottom of the Mowana Mineral Reserve statement becauseitis incidental to the mine plan. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

A drilling exploration programme was completed during September 2011 to evaluate copper mineralization over a 2km strike length northwards of the current Mowana Open pit. The Mowana orebody is known to extend northwards from previous sparse exploration drilling carried out by Falconbridge exploration during the early 1980's. During August 2012 a SAMREC compliant resource estimate was received from Coffey Mining (South Africa) for the Mowana North area, and the results made public on 29 August 2012. The Inferred resource estimate comprises 56.8 million tonnes at 0.45% Cu and extends the Mowana orebody 2km north of previously known resources and reserves. Further infill drilling will be required to recategorise the Inferred estimate to Indicated and Measured resources and to prove continuity of higher grade areas intersected in boreholes.

Thakadu Mine

The table below sets out the most recent estimates of probable mineral reserves at the Thakadu Mine. In preparing the original estimates, which appeared in the RSV CPR, RSV reviewed the Company's existing Mineral Resource models for the Thakadu Mine, which were calculated based on assumptions determined to be appropriate by African Copper (including a 0.5% Cu cut-off grade utilizing ordinary kriging), and which had previously been disclosed by the Company in its announcement dated 25 July 2007.

In converting the Resources to Probable Mineral Reserves RSV applied its own set of assumptions (including a higher cut-off grade of 0.5% Cu), to evaluate an economic pit-shell based on African Copper's existing proposed pit design. These reserves have been re-estimated allowing for mining depletions between the period August 2009 and 31 March 2012.

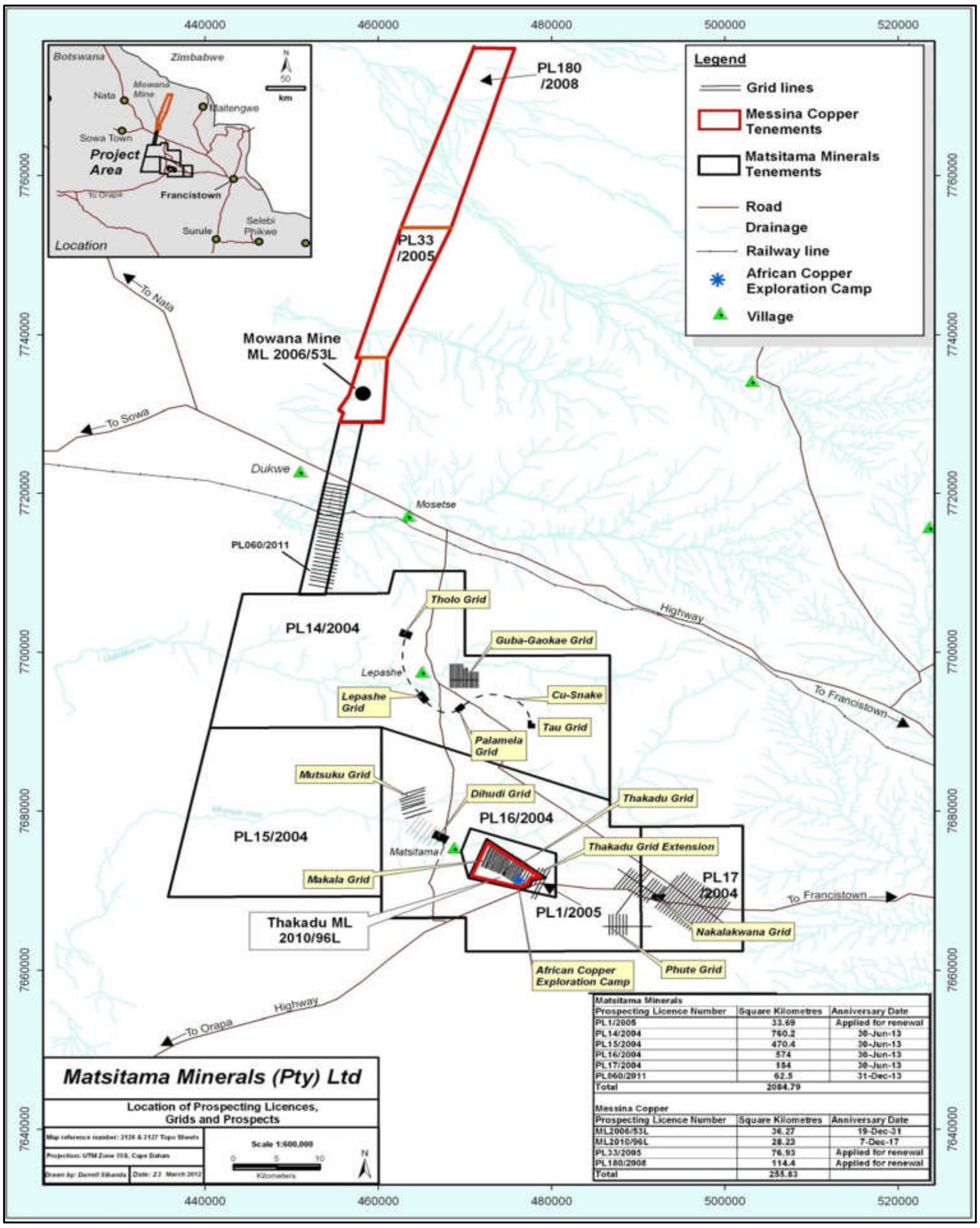
Probable In-pit Mineral Reserves at a 0.5% Cu cut-off as at 31 March 2012:

Category	Tonnage (Mt)*	Copper (%)*	Contained metal* (Tonnes Cu)
Proven Reserves	Nil	-	-
Probable Reserves	1.79	2.04	36,565
Sub Total	1.79	2.04	36,565
In-pit Inferred Resources	Nil	-	-

*Rounding of figures may result in minor computational discrepancies

Matsitama Minerals

Matsitama Minerals holds title to six prospecting licenses ("PL's") in east-central Botswana, 60km to 90km west of Francistown. The PL's are contiguous with the Mowana mine to the north and the Thakadu mine to the south and cover much of the highly prospective Matsitama Schist Belt ("MSB"), totalling 2,084.8km^2 in extent.



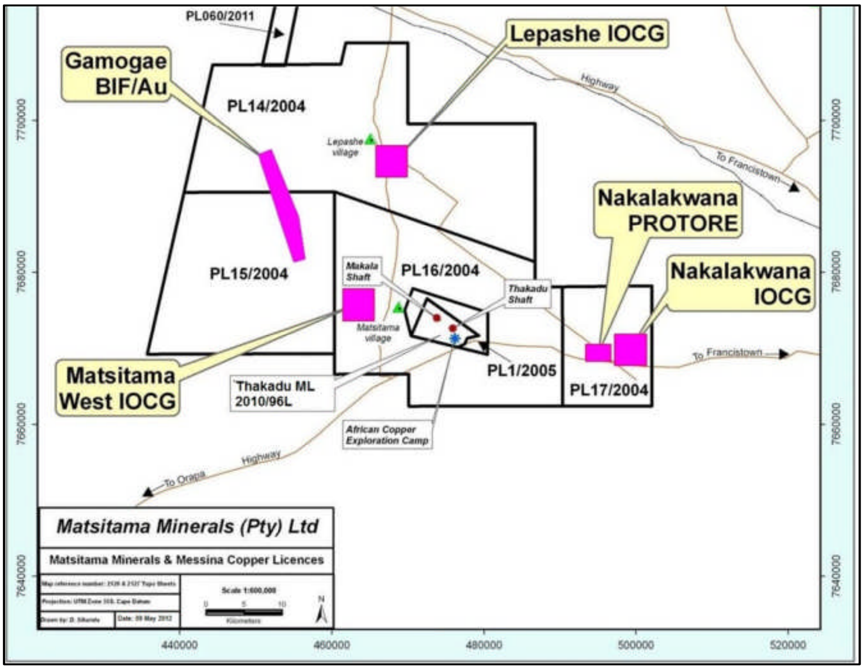
Exploration activities continued in the MSB. The exploration team did further work on new targets generated by re-examining the MSB from a totally new perspective.

A number of world renowned earth scientists skilled in a range of disciplines were brought into Botswana to assess and evaluate the existing datasets. The international panel applied the latest thinking and generated a number of new, highly prospective, hitherto unexplored targets.

Since renewal of the licences for a further two years, a two year, fast-track exploration programme was drawn up in July 2011 and USD2.5 million was committed for spending over the upcoming 24-month period. It was soon realized that intensive field programs spanning a number of years would be required to move the new exploration targets forward so that detailed mineral resource assessments and economic studies, if warranted, could be carried out.

Exploration in the MSB is now focused on iron-oxide-copper-gold ("IOCG") mineralization. These deposits can be very large, capable of supporting mining operations for periods of 30 or more years. It has long been believed that the MSB may host IOCG mineralization but until recently no conclusive proof had been found to confirm the existence of this type of deposit in the belt. Age-dating from the previous reporting year, have revealed younger granite intrusions and therefore the affinity with IOCG-type deposits.

Three highly prospective IOCG targets have now been identified in the MSB, namely the Nakalakwana, Lepashe and Matsitama West targets. More efficient and effective geophysical tools, such as 3D induced polarisation, are being employed to supplement the other layers for targeting.



In addition, the company is currently evaluating banded iron formation ("BIF") exposures in the Gamogae prospects for both iron and gold. The BIF can be traced over a distance of 13km. Samples were submitted for metallurgical test work. The samples were found to contain more hematite than magnetite due to surface effects. It is anticipated that an increase in magnetite, which is more amenable to treatment for iron ore extraction, may be experienced at depth. Drilling of the target will be undertaken to determine this. Assay values for deleterious elements were also very low.

The Nakalakwana target also hosts a pre-tectonic, copper-rich protore of possible basaltic affinity. Non code-compliant Mineral Resources for the protore have previously been estimated by the MSA Group, and subsequently audited by SRK. Code-compliant Inferred Mineral Resources have now been estimated for Nakalakwana Hill. The Mineral Resource estimate was completed in order to guide in-fill drilling at Nakalakwana, which will upgrade the status to indicated. The in-fill drilling of approximately 6,000m, is currently being undertaken with the aim of assessing the oxide, down-dip and down-plunge potential.

Nakalakwana protore resource estimate

	Cut-off (%Cu)	Tonnage (Mt)	Cu (%)
Nakalakwana Hill *	0.1	18	0.45

* ***Quality Assurance and Quality Control***
Nakalakwana Hill resource estimate carried out by Mr V. Simposya. SRK Consulting, Johannesburg. South Africa.

Furthermore, metallurgical testwork was done on the protore. Dense Media Separation (DMS) was not recommended; however shaking tables yielded up to 80% recovery at a Cu grade of 1%. Flotation was found to work well and can yielded Cu concentrate at 9% and 91% Cu recovery at a fine crush. Further testwork will be undertaken in order to supplement the upgrading of the Mineral Resources. An independent consultant has recommended the use of spirals at the optimal grind to increase recovery.

Work on the Phute prospect, south of Nakalakwana, was also undertaken on highly anomalous Cu-Ag soil geochemistry targets. This was done prior to the IOCG targets and in-fill drilling.

Phute RC drilling results

Borehole ID	From (m)	To (m)	Interval (m)	Cu (%)	Ag (g/t)
PRC04	4	43	39	0.29	0.29
PRC08	78	117	39	0.24	1.38
Includes:	99	117	18	0.36	1.98

Four key exploration licenses, namely PL's 14/2004, 15/2004, 16/2004 and 17/2004 expire on 30 June 2013. Detailed exploration activities have been planned for the upcoming year and budgets have been determined accordingly.

Expenditures

Exploration expenditures for the period 1 April 2011 to 31 March 2012 are detailed below.

Exploration Activity	**PL1/2005**	**PL14/2004**	**PL15/2004**	**PL16/2004**	**PL17/2004**	**Total**
Expenditure (USD)	143,283	363,969	232,081	590,300	1,263,239	2,592,872

The technical information has been reviewed and approved by David De 'Ath BSc (Hons), MSc, GDE Mining, MIMMM, and MAusimm, the Company's Geology Manager for the Mowana and Thakadu Mines, who is a qualified person for the purposes of NI 43-101, and the SAMREC and JORC Codes.

GOVERNANCE

GENERAL

ZCI is committed to sound and robust corporate governance standards which underpin the Group's operational and strategic success.

The Group's corporate governance structures and practices are reviewed and enhanced on an ongoing basis in response to changes within and external to the Group. In line with the "apply or explain" principle of King III and the JSE requirements the Company has made relevant disclosure, supported by an explanation where a different practice has been adopted to achieve good governance, in the instances where the Group has not applied a specific King III principle. Although not fully compliant yet, significant progress have been made during the year.

The Board of Directors takes ultimate responsibility for the Group's adherence to sound corporate governance standards, setting the strategy for the Group as well as organisational oversight and sees to it that all business judgements are made with reasonable care, skill and diligence. The Board has various Committees to which it has delegated specific responsibilities. All Committees operate with written terms of reference approved by the Board, which are reviewed by the Board annually.

Below is a summary of King III principles and recommended practices that the Company was not applying in previous periods but have been addressed during the year under review:

King III Principle or Recommended Practice	Action taken during the year
2.17	Appointment of a CEO, effective 1 November 2011, with a framework of delegated authority.
2.19	A formalised process has been implemented for the appointment of new directors to the Board.
2.20	Formalised an induction programme for new directors.
2.23.2	Reviewed and updated the relevant Committee terms of reference in line with best practices.
2.23.6	Formed a Nominations Committee and approved the terms of reference of the Committee.
3.9.4	Formalised the policy with regards to the provision of non-audit services by the external auditor.
3.2.1	The Audit & Finance Committee was re-constituted so that it comprises only of independent non-executive directors.
7.1.1	During the year, Ernst & Young (Botswana) was appointed to perform certain internal audit functions at a subsidiary level as a first step towards establishing an appropriate and effective internal audit function.

Below is a summary of King III principles and recommended practices that the Company have not applied during the year:

Non-Application of King III	
Governance Element	**Explanation as to non-application**
1. Ethical leadership and corporate citizenship 1.2.5 - The board should ensure that measurable corporate citizenship processes are implemented.	While such policies as Corporate Social Responsibility at the mine level and a code of conduct at the Board level help to ensure that corporate citizenship process are in place, the Board has not sought to implement a process whereby corporate citizenship processes are measured. Such a policy is not seen as a practical at this point in time given that the strategic review process in place will change the nature of the corporate citizenship processes within the Group.
1.3.3 – The board should ensure that adherence to ethical standards are measured. 1.3.8 - The board should ensure that the company's ethics performance should be assessed, monitored, reported and disclosed.	While actively seeking to provide ethical leadership in the Group, the ZCI Board has not sought to implement a program in which adherence to ethical standards are measured on an ongoing basis. As with any policy initiative, the benefits of such a program must be measured against the cost of implementing and maintaining such a program. ZCI believes that, given its current structure and activity, the Board is capable of effectively managing the Company's ethics without the need for a formal program to monitor that management.
2. Boards and directors 2.16.2 The Chairman should be independent and free of conflict upon appointment.	ZCI's Chairman, Mr Edgar Hamuwele, is a non-executive director, who was not independent upon his appointment to the position of Chairman of the Board on 1 November 2011. Mr Hamuwele also acts as a non-executive director on the board of CDF, the majority shareholder of ZCI, and so does not meet the independence criteria outlined above. Mr Hamuwele is considered by the Board to be the board member with the skills and experience capable of best providing the effective leadership of the Board required in the role of Chairman. The Board believes the value he brings to the position to be greater than any concerns that he would not be able to perform effectively in the role due to his non-independence. In line with King III Recommended Practice 2.16.3 and Section 3.84 (c) of the JSE Listing Requirements, the Board designated Professor Stephen Simukanga as the Lead Independent Director, to assist the Board in the event that any conflict of interest arises or when the chairman's performance is being evaluated. As such, the Board considers this a mitigating factor with regards to any concerns with regards to conflicts of interest or objectivity stemming from the appointment of a non-independent director as chairman of the Board.
2.25.4 Non-executive fees should comprise a base fee as well as an attendance fee per meeting.	The fees of the ZCI non-executive directors for the period under review comprised solely a base fee. Attendance fees were not paid to non-executive directors in addition to the base fee. The Board has determined that an attendance fee for non-executive directors is not a necessary component of an effective remuneration policy at this point in time. The Board reviews the remuneration paid to non-executive directors on an annual basis and will consider applying this King III recommended practice in the coming period if the Board determines that doing so will assist the achievement of strategic objectives.

3. Audit committees 3.4.3 The audit committee should recommend to the board to engage an external assurance provider on material sustainability issues.	The impact of sustainability issues within the Group occur primarily at the subsidiary level. ZCI has one major investment being in the mining operations of ACU. ZCI has engaged RMB to undertake a process which was expected and is still expected to result in considerable changes to the composition of the Company's investment portfolio. For this reason, the Committee considered it impractical for the current financial year to seek external assurance on sustainability issues. Once the investment portfolio of ZCI is more settled and the breadth of sustainability issues is known, the Committee will re-consider this.
5. The governance of information technology 5.1.5. The board should receive independent assurance on the effectiveness of the IT internal controls. 5.2.1. The board should ensure that the IT strategy is integrated with the company's strategic and business processes. 5.3.3. The CEO should appoint a Chief Information Officer responsible for the management of IT.	ZCI is an investment holding company in which the principle functions to which a formalised IT charter and policy relate, are undertaken by service providers under the oversight of management. The service provider has a detailed IT charter and policy capable of mitigating IT risk at the ZCI level. Assurance is provided by service providers that IT risk is being properly managed with respect to the services they provide to ZCI. IT related risks are considered by the Risk Committee and regularly reviewed as part of the risk management process. At the subsidiary level, policies have been instigated by the Board to address IT risk related issues. IT issues and adherence to IT policies are reported in the monthly management reports reviewed by the Board. For this reason, and taking into account the nature and size of the Group's current IT environment, the Board did not seek independent assurance over the effectiveness of the IT internal controls, nor was it considered necessary to appoint a Chief Information Officer.
7. Internal Audit	ZCI does not operate a formalised independent system of internal audit covering the scope of activities outlined in the recommended practices under Section 7 of King III. During the period under review the Audit & Finance Committee, in its review of internal controls, assessed the need for a formalised independent internal audit function at the ZCI level. The Committee was satisfied that there is an effective system of internal control capable of safe guarding the Company's assets from potential risk factors and that, based on an analysis of the costs and benefits, a formalised independent system of internal audit would not be pursued at the present time. At the ZCI level, the major functions which the internal audit function would oversee are undertaken by Maitland Luxembourg SA, which is a regulated entity itself with an internal audit function. The nature of the Group's operations means that the key activities for which there is a potential for fraud, error and risk occur primarily at the operational level. A process of internal audit has commenced at the operational level and the ZCI Board will review internal audit reports received and monitor follow up of recommended actions on areas of concern raised. As this process is still only at a developing stage, the Company has not yet applied the extensive role of the internal audit function as envisaged by King III.

8. Governing stakeholder relationships 8.6.1. The board should adopt formal dispute resolution processes for internal and external disputes.	ZCI handles disputes on a case by case basis and has not sought to instigate a formal dispute resolution process. Any dispute which arises is considered as to its merits and whether a form of alternative dispute resolution can be applied. As disputes at the ZCI level are not a common occurrence, the ZCI Board has not as yet adopted a formalised process through which such disputes would be dealt with. In seeking to improve its corporate governance structures, the Board will review the need for a formalised dispute resolution process in the coming reporting period.

BOARD OF DIRECTORS

The highest governance structure of the Group, responsible for setting strategy, taking action as well as organisational oversight is the ZCI Board of Directors. The Board is thus the foundation of ZCI's governance systems and is accountable and responsible for the Group's performance.

The Board retains full and effective control over the Group and is comprised of a strong team of talented leaders with recognised relevant experience and skills, providing effective and ethical leadership of the Company. All directors are individuals of high calibre with diverse backgrounds and expertise, ensuring that their views carry significant weight in deliberations and decisions.

To fulfil their responsibilities, the Board has access to accurate, relevant and timely information. In addition, the directors are entitled to obtain independent professional advice at the Company's expense, should they deem this necessary. All decisions requiring consideration by the Board are debated openly and no director has unfettered powers of decision making.

Board meetings are held at least quarterly with ad hoc meetings being called when necessary. Meetings of the Board during the year considered issues of operational strategy, capital expenditure, major projects and other matters having a material effect on the Group.

Current composition of the board and director independence

ZCI's Board for the financial year ended 31 March 2012 and up to the date of this report was comprised of six directors as follows.

DIRECTOR	INDEPENDENCE	EXECUTIVE / NON-EXECUTIVE
Stephen Simukanga	Independent	Non-executive (Lead Independent Director)
Michel Clerc	Independent	Non-executive
Cyril O'Connor	Independent	Non-executive
Thomas Kamwendo	Non - Independent	Executive (CEO)
Kathryn Bergkoetter	Non-independent	Executive (Finance Director)
Edgar Hamuwele	Non-independent	Non-executive (Chairman)

Directors are categorised as executive or non-executive in accordance with Section 3.84 (f) of the JSE Listing Requirements. During the year the Board assessed the independence of the independent directors and was satisfied that they retained their independence. The independent directors of ZCI meet the definition of independence under King III.

The role of CEO is separated from the role of the Chairman by a clearly stated division of responsibilities in accordance with Principle 2.17 of King III.

The non-executive directors provide advice to the Board that is independent of management or service providers. They also provide an additional layer of control through checks and balances. Non-executive directors are entitled to seek independent professional advice where deemed appropriate. The presence of the independent directors on the various committees helps to ensure that the management and executive do not have unrestricted powers of decision making.

Certain of the directors of ZCI are also directors of ACU. ZCI recognises that those directors have fiduciary duties to the subsidiary and must act in its interests at all times.

In line with King III Recommended Practice 2.16.3 and Section 3.84 (c) of the JSE Listing Requirements, the Board designated Professor Stephen Simukanga as the Lead Independent Director, to assist the Board in the event that any conflict of interest arises or when the chairman's performance is being evaluated. The Board is confident that Professor Simukanga is eminently qualified and capable of fulfilling this role and is considered to be a suitable person for the position.

Board meeting attendance during the period

	14 April 2011	23 June 2011	4 August 2011	25 August 2011	28 September 2011	19 October 2011	8 December 2011	20 December 2011	13 January 2012	29 May 2012	31 May 2012	19 June 2012	20 June 2012	10 & 11 July 2012
E Hamuwele	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓
T Kamwendo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
S Simukanga	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
M Clerc	x	✓	✓	x	✓	✓	x	x	x	✓	x	✓	✓	x
T du Toit	✓	✓	✓	✓	✓	✓	✓	✓	✓	N2	N2	N2	N2	N2
K Bergkoetter	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
S Georgala	✓	✓	✓	x	✓	N1	N1	N1	N1	N1	N1	N1	N1	N1
D Rodier	✓	✓	✓	x	✓	N1	N1	N1	N1	N1	N1	N1	N1	N1
C O'Connor	N3	N3	N3	N3	N3	N3	N3	N3	N3	N3	N3	✓	✓	✓

N1 - Dave Rodier and Steve Georgala did not seek re-election to the Board at the AGM held on 28 September 2011.

N2 - Thys du Toit resigned effective 31 March 2012.

N3 – Cyril O'Connor joined the Board of Directors effective 15 June 2012.

Company secretary

The Board makes use of the advice and assistance of an experienced and suitably qualified company secretary. The company secretary contributes to the good governance strategy of the Company by engaging in those activities outlined in Principle 2.21 of King III.

Shareholder relations

The Board undertakes considerable dialogue with its majority shareholder and engages in discussions on key matters of strategy and corporate governance.

All shareholders are encouraged to participate in the annual general meeting of the shareholders at which they may raise issues of concern. All board members of ZCI are expected to attend the AGM and engage with our shareholders.

Policy for appointment of new board members

In accordance with Section 3.84 (a) of the JSE listing requirements, the Board has approved a policy detailing the procedures for appointments to the Board. This is to ensure that appointments to the Board are formal and transparent, and considered by the Board as a whole.

When deemed appropriate, the Board shall delegate authority to the Nominations Committee to undertake aspects of the process of appointing new board members. The independent non-executive directors of the Company sit on the Nominations Committee. The Nominations Committee did not meet in the period under review.

The Nominations Committee will also, at the request of the Board, assess the current composition of the Board against the skills required to competently discharge the Board's duties, having regard for the strategic direction of the Company.

The shareholders elect the directors at the Annual General Meeting, having received appropriate notice of the persons being proposed to hold office as directors. The Board also has the power to fill a casual vacancy, but any Director so appointed can hold office only until the next Annual General Meeting and shall then be eligible for re-election.

Training, induction and appraisal of the board and committees

ZCI has established guidelines for the on-going training and development of directors.

During the period under review, the Board approved a new director induction programme. The programme has been designed in accordance with the King III code to ensure that any new director will be familiar with the business and legal framework in which the Company operates.

The Chairman has evaluated the performance of the Board and the effectiveness of the Committees. It is the opinion of the Chairman that the Committees have performed their roles during the period covered by this report. The Board has also been effective in addressing the many issues and challenges that have been presented during this period.

The Risk Committee, Audit & Finance Committee and Remuneration Committee all undertook a formalised process of performance evaluation during the period under review. Additional details in relation to these appraisals can be found in the respective Chairman's report for each of the Committees.

Code of conduct

The Board sets the values of the Company and seeks to set standards of ethical leadership. ZCI requires that all directors and officers conduct themselves with honesty and integrity in all business practices to achieve the highest standard of ethical behaviour. The Company adopted a formal code of conduct in order to contribute to the effective management of the Company's ethics.

Directors' interests

At 31 March 2011 and 31 March 2012, Mr du Toit held an indirect beneficial interest of 34,607 ordinary shares in the Company. The other Directors held no shares in ZCI, either beneficially or non-beneficial, nor did they hold any direct or indirect beneficial interests in the Company.

There are no service contracts granted by ZCI, nor any of its subsidiaries, to any Director of ZCI for services as directors, nor were there any contracts or arrangements existing during the financial year which are required to be declared in terms of the JSE requirements.

Director biographies

THOMAS KAMWENDO Chief Executive Officer Non-independent	**Date of birth**: 14 May 1958 **Qualifications**: Bachelor of Science degree in Mechanical Engineering, Registered Engineer and Fellow of the Engineering Institution of Zambia **Previous experience:** 30 years of experience in the Zambian mining industry, CEO of three engineering companies and managing partner of his own multidisciplinary consulting firm; served on the boards many private and parastatal organisations including Ndola Lime Company, Konkola Copper Mines (KCM), the Environmental Council of Zambia, the Copperbelt University, the National Institute of Public Administration (NIPA), and the Zambia Association of Chambers of Commerce and Industry; also previously served on a Presidential Commission of Enquiry into university education in Zambia.

KATHRYN BERGKOETTER Executive Financial Director Non-independent	**Date of birth**: 25 March 1964 **Qualifications**: Bachelor of Science Degree with a double major in Accounting and Finance: Certified Public Accountant, Certified Management Accountant, Certified Bank Auditor, Certified Internal Auditor, and Certified Financial Manager; member of the American Institute of Certified Public Accountants and the Institute of Management Accountants. **Previous experience:** 27 years of experience in accounting and auditing: senior auditor with Ernst & Young, senior internal audit experience, operational and compliance auditing, and controllership roles. Currently in a senior managerial and financial advisory appointment with the Maitland group.

EDGAR HAMUWELE Chairman Non-independent	**Date of Birth**: 16 May 1963 **Qualifications**: Fellow of the Association of Chartered Certified Accountants of the United Kingdom, fellow of the Zambia Institute of Chartered Accountants. **Previous experience**: Formerly accountant with Zambia Consolidated Copper Mines Limited, and accountancy firms of Deloitte and Touche, and Coopers & Lybrand. Currently with Grant Thornton where he is now a Managing Partner. He has served as director on the boards of various entities in the past, and is currently a board member of the Copperbelt Development Foundation, Zambia Centre for Accountancy Studies as well as other various other companies.

STEPHEN SIMUKANGA Lead Independent Director Non-executive	**Date of Birth**: 20 May 1957 **Qualifications**: Bachelor's degree (1982) and a Master's degree (1986), both in Metallurgy and Mineral Processing from the University of Zambia, and a doctorate (1990) in Process Metallurgy from the University of Strathclyde in the United Kingdom, United Kingdom Chartered Engineer and a Fellow of the Institute of Materials, Minerals and Mining and the Engineering Institution of Zambia. **Previous experience**: Professor of Metallurgy and Mineral Processing at the University of Zambia and was visiting professor at the University of Cape Town for 10 years, 26 years of experience in the mining industry and academia, Chief Executive Officer (Vice Chancellor) of the University of Zambia, chairs the boards of the National Institute for Scientific and Industrial Research and is a member of three other boards of directors.

MICHEL CLERC Independent Non-executive	**Date of Birth**: 27 June 1921 **Qualifications**: Degrees in Law and Political Science in France and in English literature at Cambridge **Previous experience:** Journalist by profession, specializing in financial issues and has had several books published, former editor of Paris-Match magazine and was manager of Radio Luxembourg, the founder and current president of AMZCI, an association of ZCI shareholders in France.

CYRIL O' CONNOR Independent Non-executive	**Date of Birth**: 4 May 1944 **Qualifications**: Ph.D. from the University of Cape Town and a D.Eng. in Metallurgical Engineering from Stellenbosch University **Previous experience**: Director of the Centre for Minerals Research at UCT, main area of research is flotation, President of the International Mineral Processing Council, holds the AngloPlatinum Chair in Minerals Processing, is a member of the Executive of the Academy of Engineering of South Africa, is CEO of the South African Minerals to Metals Research Institute, is a former Vice-President of the International Zeolite Association and was Chairman of the Organizing Committee for the XXII IMPC and the 14th International Zeolite Conference. Published over 200 papers in international journals and conferences and has supervised or co-supervised more than 30 PhD and 25 MSc graduates, Head of the Department of Chemical Engineering for 8 years, Dean of the Faculty of Engineering & the Built Environment for 10 years and served as Acting Deputy Vice-Chancellor from April 2008-May 2009. He is an Hon. Fellow of the Southern African Institute of Mining and Metallurgy, and a Fellow of, respectively, the Royal Society of South Africa, the University of Cape Town, the South African Academy of Engineering, the South African Institution of Chemical Engineering and IUPAC. He is a founder member of the Academy of Science of South Africa.

APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

Effective 1 November 2011, Mr Thomas Kamwendo resigned his position as non-executive Chairman to accept the role of CEO of the Company. Mr Edgar Hamuwele who was an existing non-independent non-executive director of ZCI was then appointed Chairman of the Board of Directors.

The Board has approved a documented authority to the CEO and a list of matters reserved for the Board. It is the responsibility of the Board to consider the overall direction and management of the Group while day-to-day management is delegated to the CEO.

The appointment of the CEO will directly benefit ZCI and the achievement of its strategic goals, by such means as

- Ensuring that the strategic decisions of the Board are implemented across the wider Group.
- Closely monitoring the day-to-day activities of the Group to ensure they are being managed in line with the expectations of the Board and shareholders.
- Ensuring that the consideration of sustainability issues is consistent throughout the Group structure and that the importance of sustainability issues is properly communicated.
- Serving as the chief spokesperson and representative for the Company.
- Building strong and lasting relationships with key stakeholders.
- Fostering new relationships and identifying new opportunities that will enable the Company to implement its strategic plans.
- Ensuring that the Board is better able to understand the expectations of shareholders and issues of significance to stakeholders so that ZCI may better factor these into decision making.

RISK COMMITTEE REPORT

Role of the committee and terms of reference

The role of the Risk Committee is to assist the Board in discharging its responsibilities for the governance of risk through a formal process and system of risk management. The Risk Committee has an independent role, operating as an overseer and a maker of recommendations to the Board for its consideration and final approval.

The Committee seeks to ensure there is an effective policy and plan for risk management that will enhance the Company's ability to achieve its strategic objectives and ensure timely and comprehensive disclosure of risk.

The Committee acts in terms of delegated authority from the Board as recorded in its terms of reference. The activities of the Committee include;

- Overseeing the development and annual review of a policy and plan for risk management to recommend for approval to the Board.
- Monitoring implementation of the policy and plan for risk management by means of risk management systems and processes.
- Overseeing the integration of the risk management plan in the day-to-day activities of the Group.
- Ensuring that risk management assessments are performed on a continuous basis.
- Ensuring that management considers and implements appropriate risk responses.
- Ensuring that continuous risk monitoring by management takes place.
- Expressing the Risk Committee's formal opinion to the Board on the effectiveness of the system of internal control and process of risk management.
- Reviewing reporting concerning risk management and internal control that is to be included in the Integrated Report for it being timely, comprehensive and relevant.

Composition

The Board recognises that risks at all levels of the Group's operations can impact the long term viability of the Company. This recognition has resulted in the formation of a Group Risk Committee which includes ZCI Board members and representatives of the wider Group. This composition helps ensure that the Committee has a mix of skills, experience, strategic and operational knowledge encompassing the full scope of Group operations and capable of identifying and managing risk at all levels.

Risk Management Plan

The Risk Committee monitors and maintains a risk matrix in which risks identified across the Group are identified, classified, quantified, ranked, reviewed and monitored. Scores are attributed to each risk based on the impact the risk would have were it to crystallise, the likelihood of the risk occurring and the extent to which plans have been enacted to counter the risk. Such analysis allows the Risk Committee to report to the Board on areas of potential risk exposure and ongoing monitoring of action plans to combat risk.

Self-appraisal

The Risk Committee conducted a self-appraisal during the period in review in-line with its charter and corporate governance requirements. The Committee was found to be performing in line with its charter and best practices and had made long strides toward the successful implementation of a system of reporting and monitoring risk over the Group activities.

Risk Committee membership and attendance at meetings

	12 April 2011	23 June 2011	27 September 2011	12 January 2012
S Simukanga	N2	N2	N2	✓
S Georgala	✓	✓	✓	N1
D Rodier	✓	x	x	N1
K Bergkoetter	✓	✓	✓	✓
E Hamuwele	N2	N2	N2	✓

N1 - Dave Rodier and Steve Georgala did not seek re-election to the Board at the AGM held on 28 September 2011.

N2 - Edgar Hamuwele and Stephen Simukanga were elected to the Risk Committee on 19 October 2011.

Other members of the Board of Directors and members of the wider group regularly attend meetings by invitation.

REMUNERATION COMMITTEE REPORT

Roles of the committee and terms of reference

The Committee operates under delegated authority from the Board and its activities are governed by terms of reference approved by the Board.

The roles and responsibilities of the Remuneration Committee include, but are not limited to;

- Determining and recommending to the Board a policy for the remuneration of the Company's executive and non-executive directors.
- Reviewing the ongoing appropriateness and relevance of the remuneration policy.
- Reviewing and noting annually the remuneration trends across the Company and Group.
- Agreeing the policy on travel costs and expenses, including the scale of cost recovery for extraordinary work performed or time dedicated on behalf of the Company, outside the normal scope of a non-executive director's duties.
- Obtaining reliable, up-to-date information about remuneration in other companies. The Committee has full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

The terms of reference were reviewed during the reporting period and updated to ensure they reflect best practices in corporate governance. The changes to the terms of reference were approved by the Board at the meeting held on 13 January 2012.

Issues and actions

One of the key issues dealt with by the Remuneration Committee during the year was establishing a remuneration package for the position of the newly appointed CEO. The Remuneration Committee obtained market survey data for remuneration rates of similar positions in order to establish whether the package offered to the CEO was market related.

A remuneration rate was also considered and approved for the position of executive Financial Director.

The Remuneration Committee reviewed the Fees & Expenses Policy of the Company to ensure that it provides a suitable policy on director's fees and the reimbursement of expenses incurred by directors. The Remuneration Committee will continue to actively monitor directors' expenses.

The Committee concluded that the Company has remunerated its directors fairly and responsibly. Details of the actual remuneration paid to the directors are contained in the annual financial statements section of the Integrated Report.

Remuneration Committee self-appraisal

The Remuneration Committee performs a self-assessment exercise every year to review its functioning and effectiveness. Some of the elements considered in the appraisal process included;

- Demonstration of appropriate industry knowledge and a diversity of experiences and backgrounds.
- Evaluation of the performance of the Chairman of the Committee and the general conduct of Committee meetings.

- Evaluation of the adequacy of the frequency of meetings to fulfil the Remuneration Committee's duties and requirements under the terms of reference.

- Evaluation as to whether the Committee effectively advised the Board on all matters relating to executive and non-executive remuneration.

The Remuneration Committee's performance was found to be in line with its charter.

Remuneration Committee membership and attendance at meetings

	12 April 2011	22 June 2011	27 September 2011	12 January 2012
S Simukanga	✓	✓	✓	✓
T du Toit	✓	✓	✓	✓
M Clerc	N2	N2	N2	x
S Georgala	✓	✓	✓	N1

N1 - Steve Georgala did not seek re-election to the Board at the AGM held on 28 September 2011.

N2 - Michel Clerc were elected to the Remuneration Committee on 19 October 2011.

The Chairman of the Board of Directors, Finance Director and the CEO all attend meetings of the Remuneration Committee by invitation.

AUDIT & FINANCE COMMITTEE REPORT

Roles of the committee and terms of reference

During the period under review, the Audit & Finance Committee complied with its legal, regulatory and additional responsibilities in line with the duties delegated to the Committee by the Board and the JSE Listing Requirements in relation to the operations of an audit committee.

The Audit & Finance Committee has written terms of reference which have been approved by the Board. The terms of reference were reviewed and updated during the financial year. This was to ensure the terms of reference were in line with best practice corporate governance principles and properly reflect the many regulatory and other duties the Committee should attend to during a financial year.

The overall function of the Audit & Finance Committee is to assist the Board in discharging its responsibilities relating to such matters as;

- The safeguarding of the Group's assets.
- The operation of adequate and effective systems and control processes.
- The preparation of financial statements that present fairly the financial affairs of the Group in compliance with all applicable legal and regulatory requirements as well as applicable accounting standards.
- The oversight of the audit function.

Statutory Duties

During the period under review, the Audit & Finance Committee undertook the following statutory duties;

1. Nominated for appointment an independent registered auditor (KPMG SA – "KPMG" or the "External Auditor") who in the assessment of the Audit & Finance Committee is independent of the Company (Recommended Practice 3.9.1 of King III).
2. Determined the fees to be paid and the terms of engagement of the auditor (Recommended Practice 3.9.2 of King III).
3. Conducted a review and were satisfied that the external auditor is independent as per Recommended Practice 3.9.3 of King III.
4. In accordance with Section 3.84 (g) of the JSE's Listing Requirements and King III Recommended Practice 3.9.4, the Audit & Finance Committee has set a policy with regard to non-audit services provided by the external auditor which is reviewed on an annual basis. The policy is to ensure that non-audit services will not be obtained from the external auditors where the provision of such services could impair audit independence.
5. Reviewed the consolidated financial statements of the company and is satisfied that they comply with IFRS.
6. Undertaken a process of self evaluation in accordance with King III Principle 2.22.
7. Considered and were satisfied in terms of 3.84(i) of the JSE's Listing Requirements, that Kathryn Bergkoetter, Financial Director, possesses the necessary expertise and experience required of a Financial Director of a public listed company.

External auditor

The Audit & Finance Committee has nominated, for approval at the AGM, KPMG SA. to continue as the external auditor and Mr Hendrik van Heerden as the designated auditor, for the 2012/2013 financial year. It has further satisfied itself that the audit firm and designated auditor are accredited to appear on the JSE.

Audit & Finance Committee membership and attendance at meetings

	13 April 2011	22 June 2011	25 August 2011	27 September 2011	12 January 2012	11 July 2012
S. Simukanga	✓	✓	✓	✓	✓	✓
S Georgala	✓	✓	x	N1	N1	N1
D Rodier	✓	✓	x	N1	N1	N1
E Hamuwele	✓	✓	✓	✓	N2	N2
T. du Toit	N3	N3	N3	N3	✓	N4
M. Clerc	N3	N3	N3	N3	x	x
C. O’Connor	N4	N4	N4	N4	N4	✓

N1 - Dave Rodier and Steve Georgala did not seek re-election to the Board at the AGM held on 28 September 2011 and were therefore replaced on the Audit & Finance Committee.

N2 - Edgar Hamuwele became ineligible for membership of the Audit & Finance Committee upon acceptance of the position of Chairman of the Board on 1 November 2011.

N3 - Thys du Toit and Michel Clerc became members of the Audit & Finance Committee on 19 October 2011.

N4 - Cyril O’Connor joined the Audit & Finance Committee effective 15 June 2012, and Thys du Toit resigned effective 31 March 2012.

Recommendation of the integrated annual report for approval by the Board

The Committee recommended the Integrated Report for approval by the Board of Directors on Friday 14 September 2012.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements of ZCI Limited, comprising the consolidated statement of financial position as at 31 March 2012, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated annual financial statements

The consolidated annual financial statements of ZCI Limited, as identified in the first paragraph, were approved by the Board of Directors on Monday 17 September 2012 and signed by

Edgar Hamuwele

Chairman

Kathryn Bergkoetter

Financial Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ZCI Limited

We have audited the consolidated annual financial statements of ZCI Limited, which comprise the consolidated statement of financial position as at 31 March 2012, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, as set out on pages 45 to 85.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the consolidated financial position of ZCI Limited at 31 March 2012, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to note 4 to the financial statements which indicates that the group incurred a net loss of US$35.8 million for the year ended 31 March 2012. 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. Our opinion is not qualified in respect of this matter.

KPMG Inc.
Registered Auditor

Per H van Heerden
Chartered Accountant (SA)
Registered Auditor
Director
17 September 2012

85 Empire Road, Parktown, 2193, South Africa

ZCI Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 March 2012

	Note	**2012 USD'000**	2011 USD'000
Revenue		**42,772**	24,731
Cost of sales	5	**(46,133)**	(22,663)
Gross (loss)/profit from mining activities		**(3,361)**	2,068
Administrative expenses		**(7,926)**	(5,150)
Other expenses		**(31,116)**	(2,726)
Foreign exchange gains		**4,093**	63
Loss before net finance (expense)/income	6	**(38,310)**	(5,745)
Finance income	7	**725**	1,384
Finance expense	8	**(2,352)**	(1,118)
Loss before tax		**(39,937)**	(5,479)
Income tax	9	**4,141**	(657)
Loss for the year		**(35,796)**	(6,136)
Other comprehensive income:			
Exchange differences on translation of foreign operations		**(7,944)**	7,006
Total comprehensive income for the year		**(43,740)**	870
Loss attributable to:			
Equity holders of the parent		**(29,068)**	(4,718)
Non-controlling interest		**(6,728)**	(1,418)
Total comprehensive income attributable to:			
Equity holders of the parent		**(35,756)**	1,181
Non-controlling interest		**(7,984)**	(311)
Basic loss per ordinary share (US cents)	10	**(52.21)**	(8.47)
Diluted loss per ordinary share (US cents)	10	**(56.73)**	(9.31)

ZCI Limited
Consolidated Statement of Financial Position
As at 31 March 2012

	Note	2012 USD'000	2011 USD'000
ASSETS			
Property, plant and equipment	11	**41,248**	47,966
Intangible assets	12	**44,463**	51,425
Long term receivable		**-**	4,000
Other financial assets		**423**	345
Total non-current assets		**86,134**	103,736
Inventories	13	**8,792**	10,483
Trade and other receivables	14	**4,132**	3,847
Current portion of long term receivable		**-**	6,048
Cash and cash equivalents	26	**18,441**	26,417
Total current assets		**31,365**	46,795
Total assets		**117,499**	150,531
EQUITY			
Share capital	15	**102,688**	102,688
Foreign currency translation reserve		**(2,987)**	3,701
(Accumulated losses)/Retained earnings		**(13,865)**	14,701
Equity attributable to equity holders of the parent		**85,836**	121,090
Non-controlling interest		**(2,723)**	5,260
Total equity		**83,113**	126,350
LIABILITIES			
Interest bearing debt	17	**1,611**	-
Deferred tax	18	**3,046**	7,187
Environmental rehabilitation provision	19	**7,065**	7,150
Total non-current liabilities		**11,722**	14,337
Trade and other payables	20	**18,067**	9,844
Current portion of interest bearing debt	17	**1,293**	-
Bank overdraft	26	**3,304**	-
Total current liabilities		**22,664**	9,844
Total equity and liabilities		**117,499**	150,531

ZCI Limited
Consolidated Statement of Changes in Equity
For the year ended 31 March 2012

	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 2010	**102,688**	**(2,145)**	**18,651**	**114,194**	**6,286**	**125,480**
Transactions with owners recorded directly in equity						
Acquisition of additional interest in subsidiary	-	(53)	768	**715**	(715)	-
Loss for the year	-	-	(4,718)	**(4,718)**	(1,418)	**(6,136)**
Other comprehensive income						
- foreign currency translation differences	-	5,899	-	**5,899**	1,107	**7,006**
Total comprehensive income for the year	-	5,899	(4,718)	**1,181**	(311)	**870**
Balance as at 31 March 2011	**102,688**	**3,701**	**14,701**	**121,090**	**5,260**	**126,350**
Transaction with owners recorded directly in equity						
Share option reserve (note 16)	-	-	502	**502**	-	**502**
Loss for the year	-	-	(29,068)	**(29,068)**	(6,728)	**(35,796)**
Other comprehensive loss						
- 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**

ZCI Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2012

	Note	2012 USD'000	2011 USD'000
Cash flows from operating activities			
Cash utilised by operations	25	**(1,091)**	(11,811)
Interest received		**679**	1,337
Interest paid		**(906)**	(1,118)
Cash outflow from operating activities		**(1,318)**	(11,592)
Cash flows from investing activities			
Additions to maintain operations			
- Property, plant and equipment		**(16,862)**	(958)
Additions to expand operations			
- Property, plant and equipment		**-**	(4,822)
- Intangible assets		**(7,065)**	(1,448)
Proceeds from sale of assets		**429**	63
Repayment/(advance) of long term receivable		**10,048**	(4,000)
Cash outflow from investing activities		**(13,450)**	(11,165)
Cash flow from financing activities			
Drawdown on interest bearing debt	20	**2,904**	-
Cash inflows from financing activities		**2,904**	-
Effect of foreign currency translation		**583**	744
Net decrease in cash and cash equivalents		**(11,280)**	(22,013)
Cash and cash equivalents at the beginning of the year		**26,417**	48,430
Cash and cash equivalents at the end of the year	26	**15,137**	26,417

1. Reporting entity

ZCI is a public company incorporated and domiciled in Bermuda. It has a primary listing on the Johannesburg Stock Exchange and a secondary listing on the Euronext.

The Company's business is not affected by any Government protection or investment encouragement laws.

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 copper-producing open pit Mowana mine. The Group also owns the rights to the adjacent Thakadu-Makala deposits and holds permits in exploration properties at the Matsitama Project. The Mowana Mine is located in the north-eastern portion of Botswana and the Matsitama Project is contiguous to the southern boundary of the Mowana Mine.

The address of ZCI's registered office is Clarendon House, 2 Church Street, Hamilton, Bermuda.

The consolidated financial statements of the Company as at and for the year ended 31 March 2012 comprise the Company and its subsidiaries (together referred to as the "Group").

The consolidated financial statements were authorised for issue by the Directors on 17 September 2012.

2. Basis of preparation

a) Statement of compliance

The consolidated financial statements of ZCI have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB").

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

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

2. Basis of preparation - Continued

d) Critical accounting estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the consolidated financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Information about such judgements and estimation is contained in the accounting policies and/or the notes to the consolidated financial statements, and the key areas are summarised below. Areas of judgement that have the most significant effect on the amounts recognised in the consolidated financial statements and that have a significant risk of resulting in a material adjustment in the next financial year are:

- Key assumptions used in discounted cash flow projections (Notes 4, 11, and 12)
- Estimation of environmental rehabilitation provision (18)

e) Changes in accounting policies

The accounting policies applied are consistent with those applied for the year ended 31 March 2011, with the exception of the following standards, interpretations and amendments, effective for the first time for the current financial year, that have been applied from 1 April 2011:

- IFRIC 19 – *Extinguishing Financial Liabilities with Equity Instruments*, effective for annual periods beginning on or after 1 July 2010.
- Improvements to IFRSs 2010 – Amendments to various standards with various effective dates.
- IAS 24 – *Related Party Disclosures (revised 2009)*, effective for annual periods beginning on or after 1 January 2011.

None of the above resulted in a change in accounting policy nor did it have any impact on earnings per share.

2. Basis of preparation - Continued

e) Changes in accounting policies (Continued)

A number of new standards, amendments to standards and interpretations that could be relevant to the Group, are not yet effective for the year ended 31 March 2012, and have not been applied in preparing these financial statements:

- IFRS 7 amendment – *Disclosures – Transfers of Financial Assets,* effective for annual periods beginning on or after 1 July 2011.
- IFRS 10 – *Consolidated Financial Statements*, effective for annual periods beginning on or after 1 January 2013.
- IFRS 12 – *Disclosure of Interests in Other Entities*, effective for annual periods beginning on or after 1 January 2013.
- IFRS 13 – *Fair Value Measurement*, effective for annual periods beginning on or after 1 January 2013.
- IFRIC 20 – *Stripping costs in the Production Phase of a Surface Mine,* effective for annual periods beginning on or after 1 January 2013.
- *Annual improvements to IFRS's 2009-2011 Cycle (various standards),* effective for annual periods beginning on or after 1 January 2013.

With the exception of IFRIC 20, these standards and interpretations are not expected to have a significant effect on the consolidated financial statements of the Group. IFRIC 20 provides further guidance with regards to the recognition of production stripping in surface mining activities. The Group does not plan to adopt these standards or interpretations early.

3. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. The policies have been applied consistently by Group companies.

a) Basis of consolidation

(i) Subsidiaries
Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the day that control commences until the day that control ceases. The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(ii) Transactions eliminated on consolidation
Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iii) Business combinations
Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity instruments issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as finder’s fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Acquisitions between 1 January 2004 and 1 January 2010:
For acquisitions between 1 January 2004 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group’s interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

3. Significant accounting policies – Continued

(iv) Accounting for acquisitions of non-controlling interests
Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions.

Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

b) Foreign currency translation

(i) Foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(ii) Foreign operations
The assets and liabilities of foreign operations with functional currencies different to that of the Company, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to USD at exchange rates at the dates of the transactions.

Foreign currency translation differences are recognised in other comprehensive income and presented in the foreign currency translation reserve (“FCTR”) in equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reattributed to non-controlling interest.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented within equity in the FCTR.

3. Significant accounting policies – Continued

c) Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability. Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise other financial asset, long term receivable and trade and other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The Group's non-derivative financial liabilities are loans and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

(iii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3. Significant accounting policies – Continued

d) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the cost of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Pre-production expenditure relating to testing and commissioning is capitalised to property, plant and equipment. The recognition of costs in the carrying amount of an asset ceases when the item is in the location and condition necessary to operate as intended by management. Any net income earned while the item is not yet capable of operating as intended reduces the capitalised amount.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, less its residual value and is recognised in profit or loss. Depreciation methods and rates are applied consistently within each asset class except where significant individual assets have been identified which have different economic useful lives. Residual values, depreciation methods and useful lives are reviewed at least annually. Depreciation is not adjusted retrospectively for changes in the residual amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in profit or loss.

(i) Mine development and infrastructure
Individual mining assets and deferred stripping costs are depreciated using the units-of-production method based on the estimated economically recoverable metal during the life of mine plan. Mining costs incurred on development activities comprising the removal of waste rock to initially expose ore at the Mowana open pit mine, commonly referred to as "deferred stripping costs," are capitalised.

Land is shown at cost and not depreciated.

(ii) Mine plant and equipment
Individual mining plant and equipment assets are depreciated using the units-of-production method based on the estimated economically recoverable value during the life of mine plan.

(iii) Other assets
These assets are depreciated using the straight-line method over the useful life of the asset as follows:

Vehicles	- 4 years
Information technology	- 3 years
Furniture & equipment	- 5 years
Non-mining plant and equipment	- 10 years

3. Significant accounting policies – Continued

e) Leased assets

Leases in terms of which the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that account. Other leases are operating leases and are not recognised in the Group's statement of financial position.

f) Intangible assets

(i) Goodwill
Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For measurement of goodwill at initial recognition, see note 3(a)(iii).

Subsequent measurement
Goodwill is measured at cost less accumulated impairment losses.

(ii) Mine development and infrastructure
Mine development and infrastructure represents mineral and surface rights for parcels of land, owned by the Group.

Mineral and surface rights include acquired mineral use rights in production, development and exploration phase properties. The amount capitalised related to a mineral and surface right represents its fair value at the time it was acquired, as part of a business combination, and is recorded as cost of acquisition.

The Group's mineral use rights are enforceable regardless of whether proven or probable reserves have been established.

Mineral and surface rights are subsequently measured at cost less accumulated amortisation and impairment losses.

(iii) Exploration and evaluation assets
All costs incurred prior to obtaining the legal right to undertake exploration and evaluation activities on a project are written-off as incurred.

Exploration and evaluation costs arising following the acquisition of an exploration licence are capitalised on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate technical and administrative overheads. Capitalised exploration costs are carried at historical cost less any impairment losses recognised.

Upon demonstration of the technical and commercial feasibility of a project, any past capitalised exploration and evaluation costs related to that project will be reclassified as intangible mine development and infrastructure.

Capitalised exploration expenditures are reviewed for impairment losses (see accounting policy note below) in line with requirement of IFRS 6, *Exploration for and Evaluation of Mineral Resources*. In the case of undeveloped properties, there may be only inferred resources to form a basis for the impairment review. The review is based on a status report regarding the Group's intentions for development of the undeveloped property.

3. Significant accounting policies – Continued

f) Intangible assets – Continued

(iv) Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(v) Amortisation
Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Mineral rights associated with production phase mineral interests are amortised over the life of mine using the units-of-production method in order to match the amortisation with the expected underlying future cash flows. Mineral interests associated with development and exploration phase mineral interests are not amortised until such time as the underlying property is converted to the production stage.

Exploration and evaluation assets are not amortised.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Amortisation on intangible assets is included as part of other expenses in the Statement of Comprehensive Income.

g) Inventories

Inventories of broken ore and concentrate are physically measured or estimated and valued at the lower of cost and net realisable value (“NRV”). NRV is the estimate selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost represents weighted average cost and includes direct costs and an appropriate portion of fixed and variable overhead expenditure.

Inventories of consumable supplies and spare parts to be used in production are valued at weighted average cost.

Obsolete or damaged inventories are valued at NRV. An on-going review is undertaken to establish the extent of surplus items, and an allowance for impairment is raised for any potential loss on their disposal.

3. Significant accounting policies – Continued

h) Impairment

(i) Financial assets (including receivables)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics. In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets
The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill and intangible assets that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

3. Significant accounting policies – Continued

h) Impairment - Continued

(ii) Non-financial assets (Continued)
Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes.

Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment reviews for capitalised exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single CGU. Typically, the following circumstances will indicate a possible impairment:

- Unexpected geological occurrences that render the resource uneconomic;
- Title to the asset compromised;
- Variations in metal prices that render the project uneconomic; and
- Variations in the currency of the operation.

i) Leases

(i) Lease payments
Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Determining whether an arrangement contains a lease
At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. This will be the case if the following criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific asset or assets;
- The arrangement contains a right to use the asset(s)

3. Significant accounting policies – Continued

i) Leases - Continued

(ii) Determining whether an arrangement contains a lease - Continued
At inception the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance expense ("notional interest").

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed.

Environmental rehabilitation provisions
Estimated long term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the Group's environmental policy taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the construction of an asset, they are capitalised as part of the cost of those assets.

The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of the asset, is recognised against the asset. Any subsequent changes to an obligation which did not relate to the initial construction of a related asset, are charged to profit or loss.

k) Employee benefits

(i) Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Share-based payment transactions
Certain Group employees and consultants are rewarded with equity settled share-based instruments. These are measured at fair value at the date of grant and either expensed to profit and loss or capitalised to deferred exploration costs, based on the activity of the employee or consultant, over the vesting period of the instrument.

Fair value is estimated using the Black-Scholes valuation model. The estimated life of the instrument used in the model is adjusted for management's best estimate of the effects of non-transferability, exercise restrictions and behavioural considerations.

3. Significant accounting policies – Continued

l) Revenue recognition and measurement

Revenue from sales of copper concentrate is recorded net of smelter treatment charges and deductions. Copper concentrate is sold under pricing arrangements whereby revenue is recognised at the time of shipment (delivery of the products at the mine gate), at which time legal title and risk pass to the customer and provisional revenue is recorded at current month average price. The quoted period established for each sale contract to finalise the sales price is the month subsequent to the month of delivery, within which the contract is required to be settled. Changes between the prices recorded upon recognition of provisional revenue and final price due to fluctuation in copper market prices result in the existence of an embedded derivative in the accounts receivable. This embedded derivative is closely related to the host contract and is therefore not separated.

Changes in the estimate of concentrate copper content resulting from the final independent analysis of the concentrate are recognised at the point at which such analysis is agreed.

m) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and foreign withholding taxes.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

n) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3. Significant accounting policies – Continued

n) Income tax – Continued

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously. A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

o) Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

p) Group segment reporting

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 and mining of copper and other base metal deposits. All the Group’s activities are related to the exploration for, and the development and mining of copper and other base metals in Botswana with the support provided from ACU 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, no segmental report has been prepared.

4. Going concern

The Group incurred a loss after tax for the year ended 31 March 2012 of US$35.8 million (2011: US$6.1 million loss).

The Company's direct subsidiary, ACU, realised a significant increase in revenue, up from US$ 24.7 million in the prior year to US$ 42.8 million in 2012, as a result of the very favourable increase in tonnes of copper concentrate sold, from 3,841 tonnes in 2011 to 6,910 tonnes during the 2012 financial year. Nevertheless, during 2012, operating costs, administration costs, and foreign exchange losses also increased. Additionally, the Group recorded an impairment loss of USD 25.8 million (2011: nil), which contributed to the loss reported in the fiscal year 2012.

The average copper sold for the year amounted to 575 tonnes per month, with the highest and lowest months' production yielding 809 tonnes and 324 tonnes respectively. Despite some record production highs, the mass of copper produced in concentrate did not yet attain the levels needed to generate overall positive cash flows for the business over the year. Since the end of the year, copper produced in concentrate for the five months of April, May, June, July and August was 704, 270, 635, 955 and 976 tonnes of copper in concentrate respectively. May's production figures were particularly disappointing and arose as a result of mechanical failure in the processing plant and a resulting shutdown from 20 May until 5 June 2012.

The Directors have prepared cash flow projections covering at least the twelve month period from the date of approval of these annual consolidated financial statements. The 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.

The key assumptions in the projection relating to production and pricing assume an average copper price per tonne over the twelve month period to August 2013 of US$7,192 and average monthly production of copper in concentrate of 1,112 tonnes of copper in concentrate. The average price per tonne achieved during the financial year was US$8,505 (2011: US$8,347). The average monthly production is a 93% increase over average production in fiscal 2012, however, it is only a 15% increase over the average production in July and August 2012. Also, the forecast average throughput of 66,770 tonnes for the period to August 2013 is only 8.4% higher than the 61,576 average throughput achieved during the year ended 31 March 2012.

Although the 2011 projections prepared by the subsidiary were not achieved, the Directors believe that the projections for at least the twelve months to August 2013 are achievable, based on the higher grade and recovery profile of the Thakadu ore anticipated to be mined and processed, 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.

4. Going concern – Continued

By way of illustrating other downside sensitivities in the projection, a combination of:

- shortfalls in the average copper price of up to 10%;
- shortfalls in average recoveries of up to 10%; and
- a possible shutdown of operations for approximately 20 days in the event of a critical equipment failure would result in an additional funding requirement of up to USD10 million (all other assumptions remaining unchanged).

In light of the above sensitivities, the Directors of ZCI issued 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 a letter of financial support from its controlling shareholder, to the value of USD7 million.

During the current financial year, the process has been initiated to realise the Company's investment in ACU. Progress has been made in this regard, but at the date of this Report the process has not yet reached an advanced state.

After taking account of the Company and Group's funding position, the letter of financial support obtained by the Company, its cash flow projections and having considered the risks and uncertainties associated with the projections, as well as the possible sale of ACU, the Directors are of the opinion that the Company and its subsidiaries have adequate resources to operate for at least the next twelve months from the date of approval of these provisional condensed consolidated financial statements. For these reasons, they continue to prepare the financial statements on the going concern basis.

However, the unproven ability of ACU, to date, to achieve the ramp up in production to a sustainable level, generating positive cash flow, and the volatility of the copper price and the availability of such funding as may be necessary, together, represents significant uncertainties in the Directors' cash flow projections.

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.

5. Cost of sales

	2012 USD'000	2011 USD'000
Productions costs	**34,579**	13,784
Depreciation	**2,722**	1,354
Salaries and professional costs	**8,832**	7,525
	46,133	22,663

6. Loss before net finance (expense)/income

as stated includes the following:

	2012 USD'000	2011 USD'000
Auditor's remuneration		
- Audit fees	**361**	274
- other fees relating to tax	**17**	9
- all other services	**-**	8
	378	291
Impairment losses		
- Property, plant and equipment	**15,000**	-
- Intangible assets	**10,740**	-
	25,740	-

7. Finance income

	2012 USD'000	2011 USD'000
Interest received:		
Bank	**205**	607
Long term receivable	**520**	777
	725	1,384

8. Finance expense

	2012 USD'000	2011 USD'000
Interest paid:		
Bank	**830**	14
Other	**88**	61
Withholding tax	**1,434**	1,043
	2,352	1,118

9. Income tax

	2012 USD'000	2011 USD'000
Income tax expense		
Current	**-**	-
Deferred	**4,141**	(657)
	4,141	(657)
Tax rate reconciliation (aggregate per jurisdiction)		
Tax at the domestic rates applicable to profits in country concerned	**9,422**	1,523
Tax effect of expenses that are not deductible for tax purposes	**(35)**	(527)
Tax not raised on losses carried forward	**(8,895)**	(1,488)
Unwinding of deferred taxes raised at acquisition	**2,581**	(657)
Prior year overprovision on above	**1,560**	-
	4,141	(657)

ZCI is exempt from tax in Bermuda. ACU is subject to corporation tax in the United Kingdom at 26% (2011: 28%). The Botswana entities are subject to a tax rate of 22%.

As all entities in the Group are in a tax loss situation, no provision was raised for current tax.

10. Earnings per share

	2012	2011
Basic loss per ordinary share (US cents)	**(52.21)**	(8.47)
Diluted loss per ordinary share (US cents)	**(56.73)**	(9.31)
Headline loss per ordinary share (US cents)	**(14.48)**	(8.47)
Diluted headline loss per ordinary share (US cents)	**(17.41)**	(9.31)
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

10. Earnings per share - Continued

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:

	USD'000	USD'000
Loss attributable to equity holders of the parent	**(29,068)**	(4,718)
Increase in shareholding in subsidiary with respect to convertible portion of debt	**(2,520)**	(464)
Diluted loss attributable to equity holders of the parent	**(31,588)**	(5,182)
Loss attributable to equity holders of the parent	**(29,068)**	(4,718)
Impairment loss	**25,741**	-
Deferred tax on impairment loss	**(2,363)**	-
Non-controlling interest in impairment loss	**(2,372)**	-
Headline loss attributable to equity holders of the parent	**(8,062)**	(4,718)
Increase in shareholding in subsidiary with respect to convertible portion of debt	**(1,632)**	(464)
Diluted headline loss attributable to equity holders of the parent	**(9,694)**	(5,182)

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

11. Property, plant and equipment

2012	Mine development and infrastructure USD'000	Mine plant and equipment USD'000	Other assets USD'000	Total USD'000
Cost				
Balance at 1 April 2011	20,667	29,411	2,944	53,022
Additions	16,367	316	177	16,860
Disposals	-	(80)	(580)	(660)
Reclassifications/Transfers	(3,824)	1,969	1,855	-
Exchange adjustments	(2,606)	(3,080)	(355)	(6,041)
Balance at 31 March 2012	**30,604**	**28,536**	**4,041**	**63,181**
Depreciation and impairment losses				
Balance at 1 April 2011	(1,380)	(2,502)	(1,174)	(5,056)
Depreciation charge for the year	(1,011)	(1,291)	(421)	(2,723)
Disposals	-	4	228	232
Impairment	(15,000)	-	-	(15,000)
Exchange adjustments	181	306	127	614
Balance at 31 March 2012	**(17,210)**	**(3,483)**	**(1,240)**	**(21,933)**
Carrying value				
Balance at 1 April 2011	19,287	26,909	1,770	47,966
Balance at 31 March 2012	**13,394**	**25,053**	**2,801**	**41,248**

11. Property, plant and equipment - Continued

2011	Mine development and infrastructure USD'000	Mine plant and equipment USD'000	Other assets USD'000	Total USD'000
Cost				
Balance at 1 April 2010	-	-	-	-
Arising on business acquisition	11,661	22,906	1,523	36,090
Additions	8,457	183	1,308	9,948
Disposals	-	-	(179)	(179)
Reclassifications/Transfers	(1,685)	1,933	-	248
Exchange adjustments	2,234	4,389	292	6,915
Balance at 31 March 2011	20,667	29,411	2,944	53,022
Depreciation and impairment losses				
Balance at 1 April 2010	(597)	(2,001)	(448)	(3,046)
Depreciation charge for the year	(636)	(111)	(728)	(1,475)
Disposals	-	-	121	121
Exchange adjustments	(147)	(390)	(119)	(656)
Balance at 31 March 2011	(1,380)	(2,502)	(1,174)	(5,056)
Carrying value				
Balance at 1 April 2010	11,064	20,905	1,075	33,044
Balance at 31 March 2011	19,287	26,909	1,770	47,966

Included as part of mine development and infrastructure is capital work in progress with a value of US$ 2.8 million (2011: US$ 1 million).

Mine plant and equipment with a carrying value of USD 2.2 million (2011: Nil) represent assets under finance lease (Note 17).

Impairment review

As a result of the continued losses incurred by subsidiaries, management considered this to be an impairment indicator.

The Group performed an impairment test with respect to the carrying value of property, plant and equipment as well as intangible assets relating to the operations where mining is currently taking place (this is considered to be one cash generating unit together).

11. Property, plant and equipment - Continued

Impairment review - Continued

Key assumptions include the following:

- A revised 7.5 year mine plan based on processing 5 million tonnes of the Mowana mine's proven and probable reserves and 1.8 million tonnes of the Thakadu mine's probable reserves
- Discount rate of 17%
- Average production through-put levels of 60,000 tonnes per month to March 2013 with expanded average production levels of 75,000 tonnes thereafter
- Copper sales prices as forecasted by selected analyst estimates, with the average copper price over the life of mine of approximately US$3.39 per lb
- Grade assumptions based on Mowana and Thakadu resource models, which experience has shown to be predictive of the actual grades mined, averaging 1.53% and 2.09% respectively
- Recovery rates based on historical independent metallurgy and plant test-work
- Operating and capital costs based on historical costs and approved budget costs.

As required by IAS 36, no benefit has been recognised for any additional value that could be generated from the assets through improving the performance of the assets through additional cash outflows, from the development of underground workings or from production beyond the five year mine plan.

The outcome of 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 has been recognized as part of other expenses in the consolidated statement of comprehensive income.

12. Intangible assets

The Group's intangible assets consist of mining rights and resources and exploration and evaluation assets.

2012	Exploration and Evaluation assets (a) USD'000	Mine development and Infrastructure (b) USD'000	Total USD'000
Cost			
Balance at 31 March 2010	23,690	28,914	52,604
Additions	1,448	-	1,448
Transfers	(11,533)	11,285	(248)
Balance at 31 March 2011	13,605	40,199	53,804
Additions	2,650	4,415	7,065
Effect of translation	(229)	(176)	(405)
Balance as at 31 March 2012	**16,026**	**44,438**	**60,464**
Accumulated amortisation and impairment losses			
Balance at 31 March 2010	-	(1,681)	(1,681)
Amortisation	-	(698)	(698)
Balance at 31 March 2011	-	(2,379)	(2,379)
Amortisation	-	(2,882)	(2,882)
Impairment	-	(10,740)	(10,740)
Balance at 31 March 2012	**-**	**(16,001)**	**(16,001)**
Carrying value			
Balance at 31 March 2011	13,605	37,820	51,425
Balance at 31 March 2012	**16,026**	**28,437**	**44,463**

(a) Comprise licence numbers PL33/2005, PL180/2008, PL14/2004, PL15/2004, PL16/2004, PL17/2004 and PL60/2011

(b) Comprise licence numbers ML2006/53L and PL1/2005

12. Intangible assets - Continued

For purposes of impairment testing, the Directors consider each of the Group's exploration and development assets on a project-by-project basis. Currently there are two projects that are separately identifiable cash generating units:

- Exploration expenditures on areas within the Mowana environs but which have not yet been exploited and do not form part of the current declared resources (Mowana underground resources)

- Exploration expenditures on the Matsitama tenements.

No impairment indicators were identified for these assets.

Mine development and infrastructure includes pre-operating cost, mining rights and exploration expenditures related to Mowana and Thakadu mines. These are considered as part of the mining operations for purposes of impairment testing. For details, assumptions used and outcome, refer to note 11.

The amortisation on intangible assets is included as part of other expenses in the Statement of Comprehensive Income.

The table below shows a summary of the mining and exploration licenses and to which intangible assets they relate to:

	Mining / exploration licenses	**Expiry Dates**
Mowana Mining rights	ML 2006/53L	19 December 2031
Thakadu Mining right	ML 2010/96L and PL1/2005	7 December 2017
Mowana resources	PL33/2005 and PL180/2008	30 June 2012 and 31 March 2011[a]
Matsitama projects	PL14/2004-17/2004 and PL060/2011	30 June 2012[a] and 31 December 2013

[a] Application for prospecting licence renewals have been made as required.

	2012 USD'000	2011 USD'000

13. Inventories

	2012 USD'000	2011 USD'000
Stockpile inventories	**5,834**	8,249
Consumables	**2,958**	2,234
	8,792	10,483

Stockpile inventories were valued at net realisable value.

14. Trade and other receivables

	2012 USD'000	2011 USD'000
Financial assets		
Trade receivables	**1,227**	1,690
Other receivables	**-**	361
Non-financial assets		
Prepayments and other receivables	**1,274**	506
VAT receivables	**1,631**	1,290
	4,132	3,847

Trade receivables represents sale of concentrate to MRI Trading Ag in terms of a concentrate off-take agreement. The Group has no collateral against these receivables and all balances are current. No impairment losses have been recognised during the year (2011: nil)

15. Share capital

	No. of shares	**USD'000**
Authorised at 31 March 2012 and 2011		
Ordinary shares of BD$ 0.24 each (USD 0.24 each)	**130,000,000**	**31,200**
Deferred shares of BD$ 0.24 each (USD 0.24 each)	**50,000**	**12**
Issued at 31 March 2012 and 2011		
Ordinary shares	**55,677,643**	**102,676**
Deferred shares	**50,000**	**12**
Balance at 31 March 2012 and 2011	**55,727,643**	**102,688**

15. Share capital - Continued

Ordinary shares
The ordinary shares have full voting rights and rights to dividends, and will be entitled on a winding up to a distribution equal to their par value and share premium created on their issue.

Deferred shares
The deferred shares do not have any voting rights or right to participate in the profits or assets of the Company, other than the right to receive on the winding up of the Company the amount paid up, up to the amount of 24 US cents only, which rank pari passu with the ordinary shares.

16. Share based payment schemes

Subsidiary scheme

The subsidiary, African Copper, has established a share option scheme with the purpose of motivating and retaining qualified management and to ensure common goals for management and the shareholders. Under the African Copper share plan each option gives the right to purchase one African Copper ordinary share. For options granted the vesting period is generally up to three years. If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Company. In 2005 all options were granted at 76p and in 2006 and 2007 all options were granted at 77.5p. On 14 July 2011 17,150,000 options were granted at 3.13p.

Of the 2011 grant, 40% are exercisable immediately with the balance of 20% exercisable on each of the next three annual anniversaries of the awards.

	Weighted average exercise price in £ per share	**Options**
At 1 April 2010	77.3p	2,935,000
Forfeited	77.5p	(750,000)
At 31 March 2011	77.2p	2,185,000
Granted	3.13p	17,150,000
Cancelled	3.13p	(500,000)
Forfeited	-	-
At 31 March 2012	**11.7p**	**18,835,000**
Exercisable at the end of the year	22.0p	8,545,000

The weighted average remaining contractual life of the outstanding options at 31 March 2012 was 8.67 years (2011: 4.5 years)

On 21 November 2011 500,000 share option held by Prof S Simukanga were cancelled to maintain his independence.

Expected volatility was determined by calculating the historical volatility of the Company's share price since it was listed on the AIM market of the London Stock Exchange in November 2004. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations

16. Share based payment schemes – Continued

Subsidiary scheme - Continued

The total expense recorded in the profit and loss in respect of share-based payments for the year was US$200,897 (31 March 2011: Nil).

Share options outstanding at the end of the year have the following expiry date and exercise prices:

		Shares	
Expiry date	**Exercise price in £ per share**	**31 March 2012**	**31 March 2011**
2014	76p	375,000	375,000
2015	76p	60,000	60,000
2016	77.5p	1,750,000	1,750,000
2021	3.13p	16,650,000	-
	11.7p	18,835,000	2,185,000

The weighted average remaining contractual life of the outstanding options at 31 March 2012 was 8.67 years (2011: 4.5 years).

No options were exercised or forfeited during the year.

17. Interest bearing debt

An equipment facility of US$3.1 million was obtained from Banc ABC, a Botswana based lending institution. The equipment facility is a 36 month US$ denominated facility that has a fixed interest rate of 9% per annum and is secured by the underlying assets. This facility is repayable in monthly instalments over a period of 36 months. As at 31 March 2012, US$2.9 million from this facility had been drawn.

The Group is not in breach of any covenants relating to this facility.

	2012 USD'000	2011 USD'000
Current portion	**1,293**	-
Non-current portion	**1,611**	-
	2,904	-

18. Deferred tax

The movement in the net deferred tax liability recognised in the consolidated statement of financial position is as follows:

	2012 USD'000	2011 USD'000
Balance at the beginning of the year	**7,187**	6,530
Prior year overprovision	**(1,560)**	-
Current year	**(2,581)**	657
Balance at the end of the year	**3,046**	7,187

Deferred tax liabilities and assets in the consolidated statement of financial position relate to the following:

	2012 USD'000	2011 USD'000
Deferred tax liabilities		
Intangible assets	**8,053**	14,113
Deferred tax assets		
Property, plant and equipment	**(5,006)**	(6,926)
Net deferred tax liabilities	**3,046**	7,187

As at 31 March, the Group had not recognised deferred tax assets of USD 39,122,000 (2010: USD 33,847,000) in respect of losses because there is insufficient evidence of the timing of future taxable profits, against which they can be recovered.

The Group's tax losses have no fixed expiry date.

19. Environmental rehabilitation provision

The Group estimates the total discounted amount of cash flows required to settle its asset retirement obligations at 31 March 2012 is USD 7,064,736 (2011: USD 7,150,079). Although, the ultimate amount to be incurred is uncertain, the estimate of the undiscounted cost to rehabilitate the Mowana Mine Site, as well as Thakadu, was updated by GeoFlux (Pty) Limited in 2011, and was equivalent to Botswana Pula 48,000,000 (2011: Botswana Pula 48,000,000).

The Group set aside USD 540,000 to provide for rehabilitation of the Mowana and Thakadu Mines site at closure. The cash provision is set aside on the rate of reserves depletion basis. The Group will annually make contributions to this account over the life of the mine so as to ensure these capital contributions together with the investment income earned will cover the anticipated costs.

Although the cash is not disclosed as restricted cash, it is the Group's intention to utilise this cash to fund the future rehabilitation. The provision was calculated using a pre-tax discount rate of 14% and inflation of 12%.

19. Environmental rehabilitation provision - Continued

	2012	2011
	USD'000	USD'000
Balance at the beginning of the year	**7,150**	4,051
Increase as a result of new environmental damage	**-**	3,099
Unwinding of interest	**642**	-
Foreign exchange on translation	**(727)**	-
Balance at the end of the year	**7,065**	7,150

20. Trade and other payables

	2012	2011
Financial liabilities		
Trade payables	**8,920**	4,130
Accrued expenses and other payables	**2,199**	1,861
Non-financial liabilities		
Withholding tax	**1,917**	765
Salary and wage-related accruals	**1,960**	1,524
Accrual for royalties	**2,923**	1,432
Other liabilities	**148**	132
	18,067	9,844

21. Related parties

The Group, in the ordinary course of business, and similar to last year, entered into various consulting arrangements with related parties on an arm's length basis at market related rates.

The only change from the previous year is the funding provided to the subsidiaries, all of which is also arm's length and at market related rates.

Identity of related parties
The Company's ultimate controlling party is Copperbelt Development Foundation.

The shareholders (as listed in Shareholders' Analysis on page 90) and subsidiaries of ZCI (as listed in note 23) are considered to be related parties. The Directors are listed in note 22. One of the Directors has an indirect interest in the Company (as mentioned in Governance page 34).

Key management is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity. Directors of ZCI, as well as the directors of ACU and certain mine managers, are considered key management.

21. Related parties - Continued

Transactions during the year
ZCI provides financing to Messina Copper, with the terms and conditions as below:

Balance outstanding	**Terms and conditions**
USD 32,412,000	Tranche A (convertible) - USD 8 379 100, interest rate 12% per annum. Tranche B (not convertible) -USD 24 032 900, interest rate 14% per annum.
USD 10,000,000	Interest 6% per annum, repayable 31 March 2012 with the option to renew.
USD 7,500,000	Interest 12% per annum, repayable 30 November 2014 with the option to renew.
USD 12,500,000	Interest 9% per annum, repayable in January 2014.
USD 2,000,000	Interest 9% per annum, repayable in March 2013.
USD 5,000,000	Interest 9% per annum, repayable in March 2013.
USD 6,000,000	Convertible, Interest 7% per annum, repayable in March 2014

Key management compensation and Directors' remuneration are disclosed in note 22. No amounts were outstanding at year end.

The Company paid professional fees amounting to USD833,333 (2011: USD1,016,914) to iCapital (Mauritius) Limited ("iCapital") for the provision of technical and operation support to the Company. J Soko, a director of ACU, is a director of iCapital. The interpretation of certain clauses in the Investment Advisory and Management Agreement have still not been resolved (refer note 24). Subsequent to year end, the negotiations have however reached an advanced stage.

The Company paid fees amounting USD612,063 (2011: USD393,341) to Maitland Trustees Limited for the administration of the Company. S Georgala, a director of ACU, is the Managing Director of Maitland and K Bergkoetter, a director of ZCI, is employed by Maitland.

Subsequent to year end, the Company's ultimate controlling party provided a letter of support to the Group, up to a maximum amount of USD 7 million.

22. Remuneration of Directors and other key management personnel

	Directors' fees	Short term benefits and expenses	Basic annual remuneration	Share based payments	Total remuneration
	USD'000	USD'000	USD'000	USD'000	USD'000
2012					
Directors – ZCI					
T. Kamwendo	**40**	**26**	**100**	**-**	**166**
D. Rodier	**17**	**18**	**-**	**-**	**35**
M. Clerc	**34**	**5**	**-**	**-**	**39**
S. Georgala	**17**	**19**	**-**	**-**	**36**
Prof S. Simukanga	**34**	**20**	**-**	**-**	**54**
M. M. du Toit	**34**	**21**	**-**	**-**	**55**
E. Hamuwele	**38**	**10**	**-**	**-**	**48**
K. L. Bergkoetter	**34**	**12**	**-**	**-**	**46**
Directors - ACU					
R. D. Corrans	**45**	**-**	**-**	**15**	**60**
J. Soko	**33**	**-**	**-**	**75**	**108**
D. Rodier	**51**	**-**	**-**	**15**	**66**
Prof S. Simukanga	**41**	**-**	**-**	**-**	**41**
S. Georgala	**6**				**6**
B. R. Kipp	**-**	**-**	**171**	**75**	**246**
Non-Directors	**-**	**44**	**1,739**	**-**	**1,783**
Total	**424**	**175**	**2,010**	**180**	**2,789**
2011					
Directors - ZCI					
T. Kamwendo	44	35	-	-	79
D. Rodier	34	14	-	-	48
M. Clerc	34	1	-	-	35
S. Georgala	34	22	-	-	56
Prof S. Simukanga	34	18	-	-	52
M. M. du Toit	34	10	-	-	44
E. Hamuwele	34	12	-	-	46
K. L. Bergkoetter	34	6	-	-	40
Directors - ACU					
R. D. Corrans	45	-	-	-	45
J. Soko	34	-	-	-	34
D. Rodier	48	-	-	-	48
Prof S. Simukanga	40	-	-	-	40
B. R. Kipp	-	-	140	-	140
Non-Directors	-	321	1,968	-	2,289
Total	449	439	2,108	-	2,996

23. Subsidiary undertakings

	Country of incorporation and operation	Physical activity	Holding of equity shares 2012	Holding of equity shares 2011
African Copper Plc	England	Investment	84.19%	84.19%
Mortbury Limited*	British Virgin Islands	Investment	84.19%	84.19%
Messina Copper (Botswana) (Pty) Ltd*	Botswana	Mining	84.19%	84.19%
Matsitama Minerals (Pty) Limited *	Botswana	Exploration	84.19%	84.19%

* indirectly held

24. Commitments

Contractual obligations	Total USD'000	2012 USD'000	2013 USD'000	2014 USD'000	2015 and thereafter USD'000
Goods, services and equipment (a)	**6,514**	**6,514**	**-**	**-**	**-**
Exploration licences (b)	**13,183**	**5,111**	**8,072**	**-**	**-**
Lease agreements (c)	**402**	**281**	**106**	**12**	**3**
	20,099	**11,906**	**8,178**	**12**	**3**

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.

The above expenditure will be funded internally.

As previously disclosed in the 31 March 2011 annual report and interim financial statements for the period ended 30 September 2011, the Company previously entered into an Investment Advisory and Management agreement with iCapital (Mauritius) Limited. The contract was terminated with effect 1 January 2012. The dispute with regards to the interpretation of certain clauses in the agreement is still ongoing.

25. Cash utilised by operations

	2012 USD'000	2011 USD'000
Loss for the year adjusted for:	**(35,796)**	(6,136)
Interest income	**(725)**	(1,384)
Interest expense	**2,352**	1,118
Income tax	**(4,141)**	657
	(38,310)	(5,745)
Non-cash items		
Depreciation	**2,722**	1,475
Amortisation of intangible assets	**2,882**	698
Foreign currency loss	**(3,792)**	-
Share option expense	**201**	-
Environmental rehabilitation provision	**(85)**	(1,068)
Profit on disposal of assets	-	(4)
Impairment losses	**25,740**	-
	(10,642)	(4,644)
Working capital changes		
Increase in trade and other receivables	**(285)**	(2,863)
Decrease in trade and other payables	**8,223**	4,417
Decrease/(increase) in inventory	**1,691**	(8,703)
Increase in other financial assets	**(78)**	(18)
Cash utilised by operations	**(1,091)**	(11,811)

26. Cash and cash equivalents

	2012 USD'000	2011 USD'000
Bank balances	**18,441**	26,417
Bank overdraft	**(3,304)**	-
Cash and cash equivalents at the end of the year	**15,137**	26,417

27. Financial instruments

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Board of Directors determines, as required, the degree to which it is appropriate to use financial instruments, commodity contracts or other hedging contracts or techniques to mitigate risks. The main risks for which such instruments may be appropriate are market risk (including interest rate risk, foreign exchange risk and commodity price risk) and liquidity risk each of which is discussed below.

The Group's principal financial liabilities comprise an interest bearing debt, trade and other payables and a bank overdraft. The Group's financial assets comprise cash and cash equivalents, trade and other receivables and other financial assets.

All of the Group's financial liabilities are classified as other financial liabilities and are measured at amortised cost and all of the Group's financial assets are classified as loans and receivables, carried at amortised cost less impairment losses.

The fair value of the Group's financial instruments approximates their carrying value as shown in the statement of financial position.

The Group's activities are exposed to a variety of financial risks, which include interest rate risk, foreign currency risk, commodity price risk, credit risk, liquidity risk and capital risk. There were no changes during the year with regards to the Group's objectives, policies and processes for managing these risk.

a) Market Risk

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that the Group uses. Interest bearing assets comprise of fixed-rate receivables and cash and cash equivalents which are considered to be short-term liquid assets.

Interest bearing instruments:	**2012** **USD'000**	2011 USD'000
Fixed rate		
Long term receivables	**-**	10,048
Interest bearing debt	**(2,904)**	**-**
Variable rate		
Cash and cash equivalents	**18,441**	26,417
Bank overdraft	**(3,304)**	

As at 31 March 2012, with other variables unchanged, a plus or minus 1% change in interest rates, on investments and borrowings whose interest rates are not fixed, would affect the loss and equity for the year by approximately USD 151,370 (2011: USD 264,170).

27. Financial instruments – Continued

(ii) Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial asset or liability will fluctuate due to changes in foreign currency rates. The Group is exposed to foreign currency risk as a result of financial assets and liabilities of the Company and its subsidiaries determined in currencies other than their functional currency. The Group has not used forward exchange contracts to manage this risk.

The table below shows the currency profiles of cash and cash equivalents:

	2012	2011
	USD'000	USD'000
Pound Sterling	**227**	2,568
South African Rand	**156**	112
US Dollar	**16,481**	22,574
Botswana Pula	**(2,020)**	1,156
Euro	**293**	7
	15,137	26,417

As a result of the Group's main assets and subsidiaries being held in Botswana and having a functional currency different than the presentation currency (Note 3(b)), the Group's balance sheet can be affected significantly by movements in the US Dollar to the Botswana Pula. During 2010/2011 and 2011/2012 the Group did not hedge its exposure of foreign investments held in foreign currencies. There is no significant impact on profit or loss from foreign currency movements associated with these Botswana subsidiary assets and liabilities as the effective portion of foreign currency gains or losses arising are recorded through the translation reserve.

27. Financial instruments – Continued

The table below shows the net foreign currency exposure (asset/(liability)) on other financial assets and liabilities, by functional currency, of the Group companies:

	2012		2011	
	USD'000		USD'000	
	Functional currency		*Functional currency*	
Foreign currency	US Dollar	Pula	US Dollar	Pula
Pound Sterling	-	-	(4)	-
South African Rand	-	(954)	(104)	(1,177)
Australian dollars	-	(110)	-	-
US Dollars	-	(3,429)	-	(1,031)
Euro	-	(2)	(1)	(53)
	-	(4,496)	(109)	2,261

A 10% strengthening or weakening of the various functional currencies against the relevant foreign currencies listed will have the following impact on profit or loss:

10% strengthening	-	(450)	(11)	(226)
10% weakening	-	450	11	226

The analysis assumes that all other variables, in particular interest rates, remain constant.

(iii) Commodity price risk
Commodity price risk is the risk that the Group's future earnings will be adversely impacted by changes in the market prices of commodities. The Group is exposed to commodity price risk, as it sells its copper concentrate under pricing arrangements whereby the quoted period established for each sale contract to finalise the sales price is the month subsequent to the month of delivery, within which the contract is required to be settled. Changes between the prices recorded upon recognition of provisional revenue and final price due to fluctuation in copper market prices result in the existence of an embedded derivative in the trade receivable.

From time to time the Group may manage its exposure to commodity price risk by entering into put contracts or metal forward sales contracts with the goal of preserving its future revenue streams. No such contracts were entered into during the year. As at 31 March 2012, with other variables unchanged, a plus or minus 1% change in commodity prices, on sales revenue, would affect the loss for the year by plus or minus US$536,515 for the year (2011: US$326,965).

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on its cash and cash equivalents and trade and other receivables (Note 14), which also represent the maximum exposure to credit risk. The Group deposits surplus cash only with well-established financial institutions of high quality credit standing.

27. Financial instruments – Continued

Credit risk exposure is further managed through the off take agreement with its customers as upfront payment for 95% of each invoice amount is required. The Group has been transacting with this customer for more than two years and no impairment losses have ever been recognised against the customer.

c) Liquidity Risk

As at 31 March 2012 the Group had US$18.44 million (2011: US$26.41 million) in cash and cash equivalents, US$4.13 million (2011: US$3.84 million) in trade and other receivables US$18.07 million (2011: US$9.84 million) in trade and other payables and US$6.21 million (2011: Nil) due to Banc ABC.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of committed credit facilities. Further analysis around the risks and uncertainties relating to the going concern basis of preparation is provided in Note 1. The Group manages liquidity risk by monitoring forecast and actual cashflows and matching maturity profiles of financial assets and liabilities.

Financial liabilities	Due or due in less than 1 year USD'000	Due between 1 to 5 years USD'000	Due in more than 5 years USD'000
Trade and other payables	11,119	-	-
Due to Banc ABC	4,597	1,611	-

d) Capital risk management

The primary objective of managing the Group's capital is to ensure that there is sufficient capital available to support the funding and operating requirements of the Group in a way that optimises the cost of capital, maximizes shareholders' returns, matches the strategic business plan and ensures that the Group remains in a sound financial position.

Capital consists of issued share capital and reserves. Should more capital be required, the Group will consider raising additional equity, market or bank debt or hybrids thereof.

There were no changes to the Group's approach to capital management during the year.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the forty-second Annual General Meeting of the shareholders of ZCI Limited ("ZCI" or the "Company") will be held at Hotel Novotel Luxembourg Kirchberg, Quartier Européen Nord Kirchberg, 6, rue du Fort Niedergrünewald, Luxembourg on Thursday, 11 October 2012 at 14:30 CET (13:30 BST, 14:30 SAST) to pass the following resolutions with or without modification:

1. To consider the financial statements and the reports of the directors and auditors for the year ended 31 March 2012.

2. To propose the re-election of the following directors:

2.1 T Kamwendo

2.2 KL Bergkoetter

2.3 S Simukanga

2.4 E Hamuwele

2.5 C O'Connor

2.6 M Clerc

who retire in terms of the By-Laws of the Company, and being eligible, recommended and available, have offered themselves for re-election.

A brief Curriculum Vitae of each director standing for re-election at the Annual General Meeting appears on pages 34-35 of the Integrated Report.

3. To elect the following directors of the Company as the members of the Audit &Finance Committee of the Company until the conclusion of the next AGM of the Company:

3.1 S Simukanga

3.2 M Clerc

3.3 C O'Connor

Refer to pages 34-35 for a biography of each director. As evident from the biographies of these directors, each of them has relevant academic qualifications and experience. The Board recommends the election of these directors as members of the Audit & Finance Committee of the Company.

4. To ratify and approve all actions taken by the directors of ZCI to the date of this Annual General Meeting, including, but not solely limited to the entry into the Loan Agreements with African Copper Plc and its subsidiaries.

5. To approve the remuneration of the directors for the period ended 31 March 2012 as disclosed in the Company's annual financial statements and the Integrated Report.

6. To reappoint the auditors, to fix their remuneration, and to note that the individual registered auditor who will undertake the audit during the financial year ending 31 March 2013 is Mr Hendrik van Heerden.

7. Special Resolution 1:

To resolve that, as contemplated in section 42A of the Bermudian Companies Act, the acquisitions by the Company, and/or any subsidiary of the Company, from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, be and is hereby authorised, but subject to the Bye-Laws of the Company, the provisions of the Bermudian Companies Act and the JSE Limited Listings Requirements ("Listings Requirements") from time to time, when applicable, and the following limitations, namely that:

- the repurchase of securities being effected through the order books operated by the JSE and/or the Paris Euronext trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);
- this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- in determining the price at which the Company's ordinary shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten per cent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 5 business day period;
- acquisitions of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty per cent) of the Company's issued ordinary share capital as at the beginning of the financial year;
- the Company or its subsidiaries may not repurchase securities during a prohibited period as defined in paragraph 3.67 of the Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement on SENS prior to the commencement of the prohibited period;
- when the Company has cumulatively repurchased 3% of the initial number of the relevant class of securities, and for each 3% in aggregate of the initial number of that class acquired thereafter, an announcement will be made; and
- the Company may only appoint one agent to effect any repurchase(s) on its behalf.

The directors undertake that they will not effect a general repurchase of shares and as contemplated above unless the following can be met:

- the Company and the Group are in a position to repay their debt in the ordinary course of business for a period of twelve months after the date of the general repurchase;
- the assets of the Company and the Group, being fairly valued in accordance with International Financial Reporting Standards, are in excess of the liabilities of the Company and the Group for a period of twelve months after the date of the general repurchase;
- the share capital and reserves of the Company and the Group are adequate for ordinary business purposes for the next twelve months following the date of the general repurchase;
- the available working capital of the Company and the Group will be adequate for ordinary business purposes for a period of twelve months after the date of the general repurchase;
- the Company will provide its Sponsor with all documentation required in terms of Schedule 25 of the Listings Requirements, and will not commence any general repurchase programme until the Sponsor has signed off on the adequacy of its working capital and advised the JSE accordingly.

8. Special resolution 2.

To amend and restate Section 76 of the Bye-Laws of the Company to read as follows, "Directors are entitled to such remuneration as they shall determine from time to time, which remuneration shall be confirmed by the shareholders in General Meeting each year. Such remuneration shall accrue daily and shall be payable by equal quarterly instalments in arrears".

Other disclosure in terms of the Listings Requirements Section 11.26

The Listings Requirements require the following disclosure, some of which are set out elsewhere in the Integrated Report of which this notice forms part as set out below:

- Directors and management – page 34-35;
- Major shareholders of the Company – page 90;
- Directors' interests in securities – page 34; and
- Share capital of the Company – page 73.

Litigation statement

The directors, whose names are given on page 31 of the Integrated Report of which this notice forms part, are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

Directors' responsibility statement

The directors, whose names are given on page 31 of the Integrated Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the Listings Requirements.

Material change or no material changes to report

Other than the facts and developments reported on in the Integrated Report, there have been no material changes in the financial position of the Company and its subsidiaries since the date of signature of the audit report and the date of this notice.

Reason and effect

The reason for and effect of special resolution no. 1 is to authorise the Company and/or its subsidiaries by way of a general authority to acquire its own issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company subject to the limitations set out above.

Statement of Board's intention

The directors of the Company have no specific intention to effect the provisions of special resolution number no.1 but will however, continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number no.1.

Voting and Proxies

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration on the South African register and all shareholders on the UK register are entitled to attend and vote at the meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a member.

To be valid, Forms of Proxy should be completed in accordance with the instructions printed thereon and returned so as to be received by the Company's Transfer Secretaries by no later than 14:30 CET (13:30 BST,14:30 SAST) on Tuesday, 9 October 2012.

Shareholders registered on the United Kingdom Share Register should send their Forms of Proxy to:

Computershare Investor Services Plc
The Pavilions, Bridgwater Road
Bristol, United Kingdom, BS99 6ZY

Shareholders registered on the South African Share Register should send their Forms of Proxy to:

Computershare Investor Services (Pty) Limited
Ground Floor, 70 Marshall Street,
Johannesburg, 2001
South Africa (P O Box 61051, Marshalltown, 2107)

Proxy forms should only be completed by members who have not dematerialised their shares or who have dematerialised their shares with "own name" registration.

On a show of hands, every member of the Company present in person or represented by proxy shall have one vote only. On a poll, every member of the Company shall have one vote for every share held in the Company by such member.

Members who have dematerialised their shares, other than those members who have dematerialised their shares with "own name" registration should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; and
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

A form of proxy is enclosed with this Integrated Report.

By order of the Board of Directors

John Kleynhans
Company Secretary
17 September 2012

SHAREHOLDERS' ANALYSIS

Shareholders at 31 March 2012

Pursuant to the listing requirements of the JSE, to the best knowledge of the Directors, and after reasonable enquiry, the spread of shareholders at 31 March 2012 was:

	Number of ordinary shares	Percentage holding
Non-public shareholders		
Copperbelt Development Foundation	39,845,017	71,56%
Directors' indirect beneficial interest	0	0%
Public shareholders	15,832,626	28,44%
Total	55,677,643	100.00%

At 31 March 2012, the number of public shareholders of the Company was 2,603, and the number of non-public shareholders was 1.

According to the information available to the Directors, the following are the only registered shareholders holding, directly or indirectly, more than 5% of ZCI's issued ordinary shares:

	Number of ordinary shares	Percentage holding
Copperbelt Development Foundation	39,845,017	71,56%
Euroclear France S.A.	11,570,784	20.78%
Total	51,415,801	

Company details Bermudian registration number 661:1969 South African registration number 1970/000023/10 JSE code: ZCI ISIN: BMG9887P1068 Euronext share code: BMG9887P1068	**South African Sponsor** Bridge Capital Advisors (Pty) Limited 2nd Floor, 27 Fricker Road Illovo, 2196 South Africa
Directors T. Kamwendo (Chief Executive Officer) E. Hamuwele (Chairman) S. Simukanga (Lead Independent Director) M. Clerc C O’Connor M.M. du Toit K.L. Bergkoetter (Financial Director)	**Company Secretary** J Kleynhans
Registered Office Clarendon House 2 Church Street, Hamilton, Bermuda	**Website** www.zci.lu
Transfer Secretary – South Africa Computershare Investor Services (Pty) Limited 70 Marshall Street, Johannesburg 2001 South Africa	**Transfer Secretary – United Kingdom** Computershare Investor Services PLC The Pavilions, Bridgwater Road (P O Box 61051Bristol BS99 6ZY Marshalltown 2107) United Kingdom
French Listing agent Caceis Corporate Trust 14, rue Rouget de Lisle F-92862 Issy-Les-Moulineaux Paris, France	**Auditors** KPMG Inc. 85 Empire Road Parktown 2193 South Africa