

ZCI Limited

(Bermudian registration number 661:1969)

(South African registration number 1970/000023/10)

JSE share code: ZCI ISIN: BMG9887P1068

Euronext share code: BMG9887P1068

("ZCI" or "the Company" or "the Group")

## **RENEWAL OF CAUTIONARY ANNOUNCEMENT**

Shareholders are referred to the announcements released by ZCI from 18 November 2015 to 11 July 2016, and the cautionary announcement released by the Company on 9 October 2015 in relation to the funding requirements of the Group and also wherein shareholders were informed that the Botswana High Court had, on 11 December 2015, made final the provisional winding up order in respect of Messina Copper (Botswana) Proprietary Limited ("Messina"), the operating subsidiary of ZCI's subsidiary, African Copper Plc ("ACU"). Shareholders are further referred to the cautionary announcement and quarterly update to shareholders of the Company released by ZCI on 15 April 2016, wherein shareholders were advised that the first meeting of creditors of Messina was held on 15 March 2016 and of the appointment of the substantive Liquidator (the "Liquidator"), and the subsequent renewals of this cautionary announcement released by ZCI on 30 May 2016 and 11 July 2016. In addition, Shareholders are referred to the announcement released by ZCI on 2 August 2016, wherein shareholders were advised that a second meeting of creditors of Messina was held on 28 July 2016, where it was resolved that the Liquidator be authorised to accept an offer in respect of the disposal of the assets of Messina (the "Offer"), subject to agreement to suspensive conditions to the Offer being met by 28 October 2016, as well as the approval of the Liquidators report tabled at the meeting.

Shareholders are advised that negotiations by the Liquidator with the preferred bidder are in progress and it is ZCI's expectation that the Liquidator will report to Messina's creditors once the Offer terms have been finalised and suspensive conditions have been met. The terms of the Offer will be announced in due course.

Messina currently has interest-bearing loans (including accrued interest) with ZCI totalling US\$104.9 million, excluding the existing convertible loan of a further US\$7.4 million. As at the date of this announcement, the board of directors of ZCI cannot reliably estimate the extent of any potential proceeds arising as a result of the liquidation proceedings.

The Company will provide updates to stakeholders as and when further information becomes available. Accordingly, shareholders are advised to exercise caution when dealing in ZCI shares until such date as further information in relation to the above matter, including the full financial impact thereof, has been made available.

As a result of the events explained above, the board of directors of ZCI are still currently not able to provide a date on which the suspension of trading, in securities of ZCI, is expected to be lifted, as is required in terms of Section 1.10(c) of the JSE Limited Listings Requirements.

Bermuda

22 August 2016

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