

Zambia Copper Investments Limited
(Registered in Bermuda)
(South African registration number 1970/000023/10)
JSE share code: ZCI & ISIN: BMG988431240
Euronext share code: BMG988431240
("ZCI" or "the Company")

BINDING OFFER TO AFRICAN COPPER PLC AND CAUTIONARY ANNOUNCEMENT

1. Introduction

The board of ZCI is pleased to announce that as part of ZCI's proposed business plan, the Company has made a binding offer of finance to African Copper plc ("African Copper") which remains open for acceptance at any time prior to 20 May 2009. The offer includes a subscription by ZCI of African Copper ordinary shares for an amount of approximately US\$9.9 million and the provision of credit facilities for an aggregate amount of US\$12.6 million ("the offer"). In view of the legal agreements entered into by African Copper with Natasa Mining Limited ("Natasa"), announced by African Copper on 9 April 2009, African Copper has stated that it does not intend to respond to the offer prior to the completion of the Extraordinary General Meeting of African Copper which has been convened for 7 May 2009 to approve the terms of a similar offer by Natasa.

2. Background to African Copper

African Copper is an international exploration and development company incorporated in England and Wales and tri-listed on the AIM market of the London Stock Exchange, the Toronto Stock Exchange and the Botswana Stock Exchange.

African Copper is involved in the exploration and development of copper deposits in Botswana and is currently developing its first copper mine at the Mowana Mine and holds permits in exploration properties at the Matsitama Project. The Mowana Mine is located in the northeastern portion of Botswana and the Matsitama Project is contiguous to the southern boundary of the Mowana Mine.

3. Rationale for the offer

The purpose of the offer is to achieve the Company's objective of enhancing meaningful value to shareholders. At present, the Company's assets comprise of cash and the offer to African Copper is one of the steps being taken by the board of ZCI in implementing the Company's new business plan.

4. Key terms of the offer

The terms of the offer include:

- a share subscription by ZCI for 676,570,543 new African Copper ordinary shares at an issue price of GBP0.01 per share (the "Share Subscription") for gross proceeds to African Copper of approximately US\$9.9 million, giving ZCI a post-offer interest in African Copper of 69.73%;
- provision by ZCI of a non-interest bearing, secured loan facility of US\$ 2.5 million for a maximum term of 3 months (the "Bridge Loan") in order for African Copper to meet its immediate working capital requirements. ZCI is prepared to accept the form of security that African Copper has already agreed with Natasa which should make the execution of any necessary security documentation in relation to the Bridge Loan a mere formality that can be achieved quickly. ZCI will not require Natasa to release its existing security prior to advancing funds to African Copper under the Bridge Loan and those funds can then be used to immediately repay any funds drawn by African Copper at that time under the Natasa bridge loan facility;
- provision by ZCI of a secured loan facility of US\$ 2.0 million for a term of 24 months (the "Short-Term Facility") bearing interest at a rate of 14% per annum payable quarterly;
- provision of a secured loan facility of US\$8.1 million for a term of 4 years (the "Convertible Loan Facility") bearing interest at a rate of 12% per annum payable half-yearly, convertible by ZCI into African Copper ordinary shares at a subscription price of GBP0.01 at any time during the term of the loan; and
- the continuation, for the benefit of bondholders, of US\$2.5 million of African Copper's outstanding Pula bond.

5. Conditions precedent

The offer is subject to certain conditions precedent including the following:

- African Copper and its subsidiaries arranging a compromise with its large creditors and bondholders who will be offered cash payments representing 40% and 25%, respectively, of the amounts owed to them by African Copper plus an aggregate of 48,952,986 and 97,905,971 ordinary shares, respectively;
- African Copper's agreement to the legal documentation (including security documentation) in relation to the Share Subscription and in relation to the Bridge Loan, the Short-Term Facility and the Convertible Loan Facility;

- the appointment of two directors to the board of African Copper as nominees of ZCI and one of them being appointed as chairman of the board;
- the cancellation of African Copper's TSX listing;
- any shareholder or regulatory approvals required by African Copper under the Companies Act, TSX or AIM rules; and
- the obtaining of shareholder approval by ZCI as required in terms of the Listings Requirements of the JSE Limited (the "Listings Requirements").

6. Pro forma financial effects

In the event that the offer is accepted by African Copper, in compliance with paragraph 9.15 of the Listings Requirements, pro forma financial effects will be disclosed.

7. ZCI controlling shareholder's undertaking

ZCI confirms that it has received a comfort letter from The Copperbelt Development Foundation ("CDF"), which holds 71.5% of the issued share capital of ZCI that confirms CDF intends to vote all of its shares in favour of all resolutions required to approve the offer.

8. Cautionary announcement and circular to shareholders

In the event that the offer is accepted by African Copper, a circular to shareholders setting out full details of the offer and incorporating the notice of the general meeting and form of proxy will be distributed to shareholders. Shareholders are advised to exercise caution when dealing in the Company's shares until a further announcement is made.

Bermuda

16 April 2009

Sponsor: Bridge Capital Advisors (Pty) Limited