

Press Release
ZAMBIA COPPER INVESTMENTS LIMITED
 (Registered in Bermuda)
 ("ZCI" or the "Company")

 A member of the Anglo American plc group

CONSOLIDATED STATEMENT OF EARNINGS FOR THE SIX MONTHS TO JUNE 30, 2001

	Unaudited	Unaudited	Audited
	Six months ended June 30, 2001	Six months ended June 30, 2000	Year ended December 31, 2000
	US\$ '000	US\$ '000	US\$ '000
Loss from mining operations.....	(41,125)	14	(9,156)
Loss before taxation	(53,370)	(5,698)	(22,663)
Taxation.....	(3,867)	(130)	3,522
Loss after taxation	(57,237)	(5,828)	(19,141)
Loss attributable to minority interests.....	19,022	238	3,329
Net loss	(38,215)	(5,590)	(15,812)

per ordinary share in US cents

Headline loss before exceptional item and amortisation of goodwill.....	(30.95)	(4.45)	(12.56)
Net loss.....	(31.18)	(4.56)	(12.90)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE SIX MONTHS TO JUNE 30, 2001

	Unaudited	Unaudited	Audited
	Six months ended June 30, 2001	Six months ended June 30, 2000	Year ended December 31, 2000
	US\$ '000	US\$ '000	US\$ '000
Fixed assets	213,874	133,846	184,415
Stocks	101,669	103,830	112,887
Cash and short-term investments.....	7,853	43,752	28,314
Net current assets	90,203	115,027	84,193
Long-term loans.....	212,967	85,598	120,091
Provisions for liabilities and charges.....	78,332	77,832	79,112
Deferred purchase consideration.....	63,380	60,000	60,000
Minority equity interests.....	1,274	23,996	20,296
Shareholders' equity	(13,227)	35,210	24,988

PRODUCTION STATISTICS FOR KCM FOR THE SIX MONTHS TO JUNE 30, 2001

	Six months ended June 30, 2001	Six months ended December 31, 2000 ⁽¹⁾
Ore mined		
Copper ore mined (t)	4,053,000	4,673,000
Cobalt ore mined (t)	766,000	463,000
Metal in concentrate		
Copper (t)	70,258	64,428
Cobalt (t)	1,566	1,873
Finished production		
Copper (t)	90,485	88,892
Cobalt (t)	1,236	1,228
Metal sales		
Copper (t)	93,079	84,732
Cobalt (t)	1,297	1,228
Average price realised		
Copper US\$/lb	81	85
Cobalt US\$/lb	9.77	11.46

⁽¹⁾ Provided due to there being no comparatives for the period to June 2000 as ZCI only acquired KCM on March 31, 2000.

Chairman's Statement

During the six month period to June 30, 2001, ZCI incurred a consolidated net loss of US\$38.2 million, due to low copper and cobalt prices and operational difficulties at ZCI's operating subsidiary, Konkola Copper Mines PLC (KCM). The directors have not declared an interim dividend in respect of the year ending December 31, 2001.

The rapid downturn in the world economy has resulted in very low metal prices that are expected to persist well into next year. Copper prices are currently less than 70 USc/lb. The outlook for KCM is therefore one of continued financial constraints in the near term.

Following the acquisition of the Konkola, Nchanga and Nampundwe assets from ZCCM on March 31, 2000, KCM embarked upon a major refurbishment programme at an estimated total capital cost of US\$270 million. The aim of the programme is to address the under-investment in the business that had previously occurred and systematically to reduce the high unit operating costs at the existing operations. By the end of June 2001, some US\$112 million had been expended.

While refurbishment of the assets of KCM has continued, metal production did not increase to expected levels during the first half of 2001. This was mainly due to difficulties experienced at the toll smelting facility at Nkana, which resulted in excess stocks of copper concentrate, amounting to some 20,000 tonnes of contained copper, ahead of the smelter. The operational difficulties at the smelter are being addressed with a shutdown in July and August 2001 for major rehabilitation. The excess stocks of copper concentrate are expected to be treated during the first half of 2002.

Production at the Konkola mine has also been disappointing due to delays in underground development. As a result, production for the six months was only marginally higher than in the previous six months. Accelerated development work is being undertaken by KCM, which should result in improved performance in the remainder of the year.

As previously announced, there was a catastrophic slope failure at the Nchanga Open Pit in April 2001 which resulted in the movement of some 5 million tonnes of material and the death of ten employees. A further two employees also suffered fatal accidents in unrelated incidents during the six months. These tragic events are clearly unacceptable and my colleagues on the Board and I wish to convey our condolences to the families of the deceased. The management of KCM continues to make strenuous efforts to build a culture of safety on the mines. Whilst production at the Nchanga Open Pit resumed within one month of the accident, the new mining plan and the future economics of the pit continue to be evaluated. The accident had a severe impact on production at KCM, which is expected to persist for some time.

In total, the shareholders of KCM have committed to provide funding of US\$370 million, of which ZCI's share is US\$310 million. Anglo American plc, the 50.9% shareholder of ZCI, is currently providing loan facilities to ZCI in an amount of US\$310 million to meet this commitment of which ZCI has drawn down US\$132 million. However, as previously advised to shareholders of ZCI, the Company will seek appropriate means of raising the necessary long-term capital required to meet its commitments to KCM.

The Konkola Deep Mining Project (KDMP) feasibility study was completed during the period and is currently being reviewed. KDMP will be a long life mine with significantly lower operating costs than the existing operations and represents the main rationale for the acquisition of the assets. KCM and its shareholders are in the process of considering the implications of the current low metal prices on the optimal financing strategy for KDMP. The Board will revert to shareholders with its proposals in due course.

The Board of ZCI wish to record their appreciation of the great efforts made by all the employees of KCM during what has been an exceptionally difficult six month period for the Company.

Interim Report

The Company's interim report of June 30, 2001 will be posted to shareholders on or about September 5, 2001. Copies may be obtained from the transfer secretaries, Computershare Services Limited, Second Floor, Edura, 41 Fox Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107, South Africa) and Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road, Bristol BS99 7NH or from the Company's French listing agents, Euro Emetteurs Finance, 48 boulevard des Batignolles, 75850 Paris Cedex 17, France.

Bermuda
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