

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.



ZincOx Resources plc

(incorporated and registered in England and Wales under number 03800208)

NOTICE OF GENERAL MEETING

Notice of a General Meeting of the Company to be held at the offices of Eversheds LLP, 1 Wood Street, London EC2V 7WS on Friday 16 January 2009 at midday, is set out at the end of this circular.

Whether or not you propose to attend the General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the General Meeting.

ZincOx Resources plc
(the "Company")

(incorporated and registered in England and Wales under number 03800208)

Directors:

Rod Beddows
Jacques Dewalens
Simon Hall
Jeff Hewitt
Gilles Masson
Simon Mulholland
Jerry Saville
John Thompson
Andrew Woollett
Peter Wynter Bee

Registered Office:

Knightway House
Park Street
Bagshot
Surrey
GU19 5AQ

17 December 2008

To Shareholders and, for information only, to the holders of options under the Company's Share Option Scheme

Notice of General Meeting

Dear Shareholder,

I am pleased to be writing to you with details of a General Meeting which we are holding at the offices of Eversheds LLP, 1 Wood Street, London EC2V 7WS at midday on Friday 16 January 2009. The formal notice of General Meeting is set out on page 4 of this document.

The Remuneration Committee of the Company has recently undertaken a review of the Company's existing share option scheme which was established in 1999 and concluded that it was no longer capable of fulfilling the Company's objectives with respect to share incentive schemes. Those objectives are:

1. To align as far as possible the interests of shareholders and employees in the performance of the Company through: (i) the establishment of performance targets for the schemes which reflect expectations of shareholder returns, (ii) a period of at least three years before any options or awards vest and (iii) the limitations of all schemes to a period of no more than ten years.
2. To utilize the schemes, in addition to other remuneration policies for salaries, bonuses and benefits to attract, motivate and retain employees.
3. To provide share related incentives which relate to the longer term performance of the Company in combination with other elements of remuneration which focus on short term performance.
4. To take account of market practice in determining the nature and level of awards offered to employees. Individual awards will take account of individual responsibility.
5. To take account of the effects of shareholder dilution in the design and implementation of such schemes.

Your directors therefore consider that the resolutions to approve the proposed Company Share Option Plan 2009, Executive Share Option Plan 2009 and Performance Share Plan 2009 are in the best interests of the Company and its shareholders.

If the resolutions are approved, the Company will cease to use the existing share option scheme for the grant of options but the scheme will be maintained until all options issued under it have either been exercised or have lapsed.

We are also asking shareholders to approve a number of amendments to our Articles of Association primarily to reflect the provisions of the Companies Act 2006. An explanation of the main changes between the proposed and the existing Articles of Association is set out in Appendix 4 on page 21 of this document.

Explanatory notes on all the business to be considered at this General Meeting appear on pages 6 and 7 of this document.

If you would like to vote on the resolutions but cannot attend in person, please fill in the proxy form sent to you with this notice and return it to our registrars as soon as possible. They must receive it by midday on 14 January 2009.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely,

Andrew Woollett
Chairman

NOTICE OF GENERAL MEETING

ZincOx Resources plc

(Registered No. 03800208)

(the "**Company**")

Notice is hereby given that a General Meeting of the Company will be held at the offices of Eversheds LLP, 1 Wood Street, London EC2V 7WS at midday on Friday 16 January 2009 to consider and, if thought fit, pass the following resolutions of which Resolution 1, 2 and 3 will be proposed as ordinary resolutions and Resolution 4 will be proposed as a special resolution:

1. **THAT** the rules of the ZincOx Resources plc Company Share Option Plan 2009 ("**CSOP**"), as produced in draft to the meeting and initialled by the Chairman for purposes of identification, and of which a summary is found in Appendix 1 to this notice of meeting, are hereby approved and adopted and the directors are hereby authorised to do all acts and things necessary to carry the CSOP into effect including incorporating any amendments which are required to be made to the rules of the CSOP by HM Revenue & Customs in order for the CSOP to achieve and retain its tax approved status.
2. **THAT** the rules of the ZincOx Resources plc Executive Share Option Plan 2009 ("**ESOP**"), as produced in draft to the meeting and initialled by the Chairman for purposes of identification, and of which a summary is found in Appendix 2 to this notice of meeting, are hereby approved and adopted and the directors are hereby authorised to do all acts and things necessary to carry the ESOP into effect.
3. **THAT** the rules of the ZincOx Resources plc Performance Share Plan 2009 ("**PSP**"), as produced in draft to the meeting and initialled by the Chairman for purposes of identification, and of which a summary is found in Appendix 3 to this notice of meeting, are hereby approved and adopted and the directors are hereby authorised to do all acts and things necessary to carry the PSP into effect.
4. **THAT** the Company's Articles of Association in the form produced to the meeting initialled by the Chairman for the purposes of identification, and of which a summary is found in Appendix 4 to this notice of meeting, be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the board

Deborah Paxford, Secretary, 17 December 2008.

Notes

1. Any member entitled to attend and vote may appoint a proxy or proxies (who need not be a member of the Company) to attend and to vote instead of the member. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending the meeting and voting in person. To be effective, proxy forms must be deposited at Capita Registrars, Proxy Department, P.O. Box 25, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours (excluding any part of a day which is a non-working day) before the time of the meeting or of any adjournment of the meeting. In the case of a corporation, the appointment of a proxy must be made either under its common seal or under hand by a duly authorised officer or agent. A form of proxy is attached.

2. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.

3. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold shares in uncertificated form must be entered on the Company's share register at midday on January 14 2009 in order to be entitled to attend and vote at the General Meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

4. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives who will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives - www.icsa.org.uk - for further details of this procedure. This guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above. A letter in this form would be acceptable to the Company and its Registrars.

Inspection of documents

The following documents will be available for inspection at Knightway House, Park Street, Bagshot, Surrey GU19 5AQ and at the office of Eversheds LLP, One Wood Street, London, EC2V 7WS from the date of this Notice of General Meeting until the end of the General Meeting:

- Plan Rules of the CSOP
- Plan Rules of the ESOP
- Plan Rules of the PSP
- Clean and marked up copies of the proposed new Articles of Association of the Company in accordance with resolution 4 proposed in the Notice of General Meeting on page 4 of this document.

EXPLANATORY NOTES TO THE NOTICE OF GENERAL MEETING

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 3 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 4 is proposed as a special resolution. This means for the resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1 - Introduction of the ZincOx Resources plc Company Share Option Plan 2009 ("CSOP")

The effect of this resolution is to give the directors authority to adopt the CSOP and operate it in accordance with the rules of the CSOP. A detailed summary of the principal terms of the CSOP is set out in Appendix 1 which forms part of the notice of the general meeting.

The CSOP is an HM Revenue & Customs approved option plan, which means that there will potentially be income tax benefits for participants and savings of National Insurance contributions for both participants and the Company provided certain conditions are satisfied.

As an HM Revenue & Customs approved option plan, the CSOP is subject to certain statutory limitations, including being limited to UK-based employees and a limit on the maximum value of options available.

Resolution 2 - Introduction of the ZincOx Resources plc Executive Share Option Plan 2009 ("ESOP")

The effect of this resolution is to give the directors authority to adopt the ESOP and operate it in accordance with the rules of the ESOP. A detailed summary of the principal terms of the ESOP is set out in Appendix 2 which forms part of the notice of the general meeting.

Employees based outside of the UK will not be eligible to participate in the CSOP, and therefore the directors consider that the ESOP should be implemented primarily for the benefit of corporate employees outside the UK.

In addition, the directors believe that there may be instances where it is appropriate to award an employee more options than the CSOP's statutory limits will allow, and the ESOP will provide a means of awarding options in excess of such limit.

Resolution 3 - Introduction of the ZincOx Resources plc Performance Share Plan 2009 ("PSP")

The effect of this resolution is to give the directors authority to adopt the PSP and operate it in accordance with the rules of the PSP. A detailed summary of the principal terms of the PSP is set out in Appendix 3 which forms part of the notice of the general meeting.

As part of the Remuneration Committee's review of the Company's share option scheme, the board concluded that as well as offering option plans such as the CSOP and the ESOP, the Company should offer free shares in the share capital of the Company under the PSP. All employees, including those located outside of the UK, will be eligible for participation in the PSP.

Resolution 4: Adoption of new Articles of Association

The Company's current Articles of Association (the "**Current Articles**") have been reviewed and it is proposed to adopt new Articles of Association (the "**New Articles**") to take account of changes introduced by the Companies Act 2006 (the "**2006 Act**"). Those changes are set out in Appendix 4 to this notice.

The final 2006 Act changes to legislation are expected to become effective in October 2009 and the Company intends to make a further review of the Articles of Association prior to the Annual General Meeting in 2009 and to amend the Articles of Association or adopt new Articles of Association (as appropriate) to reflect the final form of the 2006 Act. In light of the intention to carry out this wholesale review next year, changes have been kept to a minimum.

APPENDIX 1

The ZincOx Resources plc Company Share Option Plan 2009 ("CSOP")

Status of the CSOP

The CSOP is designed to be capable of approval by Her Majesty's Revenue & Customs ("HMRC") under Schedule 4 of the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA").

Eligibility

All employees (including full time executive directors) of ZincOx Resources plc ("Company") and any of its UK subsidiaries ("Group") may be granted options over ordinary shares in the capital of the Company ("Ordinary Shares") under the CSOP provided that they are not prohibited under the relevant legislation relating to HMRC approved company share option plans from being granted an option by virtue of having, or having had, a material interest in the Company.

Grant

The remuneration committee of the board ("Remuneration Committee") has absolute discretion to select the persons to whom options are to be granted and, subject to the limits set out below, in determining the number of Ordinary Shares subject to each option.

No options may be granted unless and until the CSOP has been formally approved by HMRC under Schedule 4 to ITEPA.

Options may be granted during the period of 42 days commencing on: (a) the date on which the CSOP is approved by HMRC under Schedule 4 of ITEPA; (b) the dealing day immediately following the date of the preliminary announcement of the Company's annual results or the announcement of its half-yearly results in any year; or (c) any other time fixed by the Remuneration Committee where, in its discretion, circumstances are considered to be exceptional so as to justify the grant of options.

If the grant of an option on any of the above days would be prohibited by virtue of the AIM Rules or any statute or regulation or any order made pursuant to such statute, then such option may be granted within the period commencing on the dealing day immediately following the lifting of such prohibition and ending 42 days thereafter.

No consideration is payable for the grant of an option.

Plan Limits

On any date, no option may be granted under the CSOP if, as a result, the aggregate nominal value of Ordinary Shares issued or issuable pursuant to options granted during the previous ten years under the CSOP or any other employees' share plan, profit sharing plan or employee share ownership plan adopted by the Company would exceed 10 per cent of the nominal value of the share capital of the Company in issue on that date.

For the avoidance of doubt, any Ordinary Shares which are already in issue when placed under option or which are subject to an option which has lapsed shall be disregarded for the purpose of the above limits. Furthermore, in the event that it is intended that an option is to be settled with Ordinary Shares which are to be transferred to the holder of

such option and which are not to be issued to the transferor of such Ordinary Shares, such Ordinary Shares shall be disregarded for the purposes of the above limits.

Individual Limit

On any date, no option may be granted under the CSOP if the sum of the aggregate Market Value of the Ordinary Shares which an individual may acquire in relation to that option and the aggregate Market Value of the Ordinary Shares which the individual may acquire in relation to other options granted pursuant to the CSOP in the financial year of the Company during which the date of grant falls would exceed 100 per cent of the individual's salary as at the date of grant. All references to "Market Value" are to the middle market price for an Ordinary Share for the dealing day immediately preceding that date unless HMRC require otherwise.

In any event, each individual's participation is limited so that the aggregate market value of Ordinary Shares subject to all options (calculated as at the date of grant of each option) held by that individual and granted under the CSOP or any other HMRC approved company share option plan operated by the Company or any associated company, shall not exceed £30,000 (or such other amount as may be permitted by HMRC from time to time).

Exercise Price

The exercise price per Ordinary Share under an option is determined by the Remuneration Committee at the time of grant but may not be less than the greater of (i) the Market Value of an Ordinary Share as at the date of grant and (ii) in the case of an option to subscribe for Ordinary Shares, the nominal value of an Ordinary Share.

The exercise price (as well as the number of Ordinary Shares under option and their nominal value) may be adjusted by the Remuneration Committee in the event of any capitalisation issue or rights issue (other than an issue of Ordinary Shares pursuant to the exercise of an option given to the shareholders of the Company to receive shares in lieu of a dividend) or rights offer or any other variation in the share capital of the Company including (without limitation) any consolidation, subdivision or reduction of capital. Any such adjustment will require the prior approval of HMRC.

Performance Condition

The exercise of options granted under the CSOP may be made conditional upon the achievement of an objective performance target set at the time of grant. Such performance target shall be measured over a performance period (determined by the Remuneration Committee at the time of grant but which shall not be less than three years) ("Performance Period"). The option will become capable of exercise following a date ("Vesting Date") specified at the time of grant which occurs after the expiry of the relevant Performance Period. The Vesting Date for an option may not occur before the third anniversary of the date of grant.

In relation to the initial grant of options under the CSOP, it is intended that the performance target will be linked to an increase in the Company's share price so that 25% of the Ordinary Shares subject to each Option will vest (rounded down to the nearest whole share) if the share price reaches a particular target and 100% of the Ordinary Shares subject to each Option will vest if a higher target is achieved, with the Option vesting pro rata to the increase in share price if the share price increase is in between the lower and the higher target.

If events occur which cause the Remuneration Committee reasonably to consider that a different or amended target would be a fairer measure of performance, the Remuneration

Committee may recommend to the Board that it waives or amends the original performance target in such manner as it deems fit provided that any such amended target is not materially more difficult to achieve than the original performance target.

It should also be noted that a performance target, applying to an option, may be measured over an abbreviated period shorter than the Performance Period in circumstances where an employee ceases to be a Group employee before the end of the relevant Performance Period or certain corporate events occur (such as a change of control of the Company) before the end of the relevant Performance Period. In these circumstances such performance target may be modified in such manner as the Remuneration Committee thinks fit so as to be applied over such abbreviated period.

Exercise of options

Normally, an option may only be exercised following the occurrence of the Vesting Date to the extent that the performance target has been satisfied and the participant is still an employee within the Group.

No option is capable of exercise more than ten years after its date of grant and will lapse on the tenth anniversary of its date of grant.

Options may not be exercised during any prohibited period specified by the AIM Rules.

In certain circumstances, options may be exercised earlier than the Vesting Date if the option holder ceases to be an employee of the Group. In particular, options may be exercised for a period of six months after the option holder ceases to be employed within the Group by reason of injury, ill health or disability (evidenced to the satisfaction of the Remuneration Committee), redundancy or retirement on or after reaching the age of 55 or upon the sale or transfer out of the Group of the company or undertaking employing him. In the event of cessation of employment of the option holder by reason of his death, his personal representatives will be entitled to exercise the option within twelve months following the date of his death. Where an option holder ceases to be employed within the Group for any other reason, options may also become exercisable for a limited period at the discretion of the Remuneration Committee.

Exercise of options is also possible earlier than the Vesting Date in the event of a takeover, a scheme of arrangement under Part 26 of the Companies Act 2006 being sanctioned by the court or the voluntary winding up of the Company. In the case of a takeover of the Company or the transfer out of the Group of the undertaking employing the option holder concerned, the Remuneration Committee may allow the option to be exercised immediately before, but with effect from, the takeover or the transfer of the undertaking concerned.

In all of these circumstances allowing for early exercise of an option prior to the Vesting Date, the option may not be exercised unless (subject to any modification or waiver of the performance target in accordance with the rules of the CSOP) the performance condition, if any, to which it is subject has been satisfied. Where an option is exercised before the occurrence of the Vesting Date, the maximum number of Ordinary Shares over which any option is capable of exercise shall, subject to the discretion of the Remuneration Committee, be pro-rated down on a time apportioned basis by reference to the time that has elapsed from the relevant date of grant to the relevant event giving rise to the early exercise of the option.

In relation to the pro-rating mechanism outlined above, the Remuneration Committee has a discretion, having full regard to all the circumstances surrounding the early exercise of an option, to ignore the prescribed pro-rating of the Ordinary Shares over

which such option may be exercised and either pro-rate on some other basis or undertake no such pro-rated reduction.

In the event of a takeover of the Company, an option holder may be allowed to exchange his option for a new option over shares in the acquiring company, provided that the acquiring company agrees to such exchange and the rights under the new option are equivalent to those under the old option.

Other option terms & Issues of Ordinary Shares

The CSOP provides the facility for the exercise of an option to be satisfied by either the issue of Ordinary Shares, the transfer of Ordinary Shares held by an existing shareholder who has agreed to satisfy the exercise of the option or by the transfer of Ordinary Shares held in treasury.

Options are not capable of transfer or assignment.

Until options are exercised, option holders have no voting or other rights in relation to the Ordinary Shares subject to those options.

Ordinary Shares allotted pursuant to the exercise of an option will rank pari passu in all respects with the Ordinary Shares already in issue but shall not rank for any dividends or other distribution payable by reference to a record date preceding the date of such allotment. Ordinary Shares transferred on the exercise of an option shall be transferred without the benefit of any rights attaching to the Ordinary Shares by reference to a record date preceding the date of that exercise. For so long as the Company's Ordinary Shares are listed on AIM, the Company will make an application to the London Stock Exchange so that the Ordinary Shares issued following exercise of any options are admitted to AIM as soon as practicable after allotment.

Benefits obtained under the CSOP are not pensionable.

Administration & amendment

The CSOP is administered by the Remuneration Committee. The board of the Company may amend the provisions of the CSOP. However, no amendment to a key feature of the CSOP shall have effect until HMRC has approved such amendment.

Termination

The CSOP may be terminated at any time by resolution of the board of the Company and shall in any event terminate on the tenth anniversary of its adoption so that no further options can be granted under the CSOP after such termination. Termination shall not affect the outstanding rights of existing option holders.

APPENDIX 2

The ZincOx Resources plc Executive Share Option Plan 2009 ("ESOP")

Status of the ESOP

Options granted under the ESOP will be "unapproved" options that have no beneficial tax status. The ESOP will primarily be used to grant options to employees located in Belgium but may also be used to grant options to those individuals who already hold options up to the £30,000 limit set out in the CSOP.

Eligibility

All employees (including executive directors) of ZincOx Resources plc ("Company") and any of its subsidiaries ("Group"), including employees located outside of the U.K, may be granted options over ordinary shares in the capital of the Company ("Ordinary Shares") under the ESOP.

Grant

The remuneration committee of the board ("Remuneration Committee") has absolute discretion to select the persons to whom options are to be granted and, subject to the limits set out below, in determining the number of Ordinary Shares subject to each option.

Options may be granted during the period of 42 days commencing on: (a) the date on which the ESOP is adopted by the Company; (b) the dealing day immediately following the date of the preliminary announcement of the Company's annual results or the announcement of its half-yearly results in any year; or (c) any other time fixed by the Remuneration Committee where, in its discretion, circumstances are considered to be exceptional so as to justify the grant of options.

If the grant of an option on any of the above days would be prohibited by virtue of the AIM Rules or any statute or regulation or any order made pursuant to such statute, then such option may be granted within the period commencing on the dealing day immediately following the lifting of such prohibition and ending 42 days thereafter.

No consideration is payable for the grant of an option.

Plan Limits

On any date, no option may be granted under the ESOP if, as a result, the aggregate nominal value of Ordinary Shares issued or issuable pursuant to options granted during the previous ten years under the ESOP or any other employees' share plan, profit sharing plan or employee share ownership plan adopted by the Company would exceed 10 per cent of the nominal value of the share capital of the Company in issue on that date.

For the avoidance of doubt, any Ordinary Shares which are already in issue when placed under option or which are subject to an option which has lapsed shall be disregarded for the purpose of the above limits. Furthermore, in the event that it is intended that an option is to be settled with Ordinary Shares which are to be transferred to the holder of such option and which are not to be issued to the transferor of such Ordinary Shares, such Ordinary Shares shall be disregarded for the purposes of the above limits.

Individual Limit

In general, no option may be granted under the ESOP if the sum of the aggregate Market Value of the Ordinary Shares which an individual may acquire in relation to that option and the aggregate Market Value of the Ordinary Shares which the individual may acquire in relation to other options granted pursuant to the ESOP in the financial year of the Company during which the date of grant falls would exceed 100 per cent of the individual's salary as at the date of grant. All references to "Market Value" are to the middle market price for an Ordinary Share for the dealing day immediately preceding that date.

The individual limit can be exceeded in circumstances which the Remuneration Committee considers to be exceptional.

Exercise Price

The exercise price per Ordinary Share under an option is determined by the Remuneration Committee at the time of grant but may not be less than the greater of (i) the Market Value of an Ordinary Share as at the date of grant and (ii) in the case of an option to subscribe for Ordinary Shares, the nominal value of an Ordinary Share.

The exercise price (as well as the number of Ordinary Shares under option and their nominal value) may be adjusted by the Remuneration Committee in the event of any capitalisation issue or rights issue (other than an issue of Ordinary Shares pursuant to the exercise of an option given to the shareholders of the Company to receive shares in lieu of a dividend) or rights offer or any other variation in the share capital of the Company including (without limitation) any consolidation, subdivision or reduction of capital.

Performance Condition

The exercise of options granted under the ESOP may be made conditional upon the achievement of a performance target set at the time of grant. Such performance target shall be measured over a performance period (determined by the Remuneration Committee at the time of grant but which shall not be less than three years) ("Performance Period"). The option will become capable of exercise following a date ("Vesting Date") specified at the time of grant which occurs after the expiry of the relevant Performance Period. The Vesting Date for an option may not occur before the third anniversary of the date of grant.

In relation to the initial grant of options under the ESOP, it is intended that the performance target will be linked to an increase in the Company's share price so that 25% of the Ordinary Shares subject to each Option will vest (rounded down to the nearest whole share) if the share price reaches a particular target and 100% of the Ordinary Shares subject to each Option will vest if a higher target is achieved, with the Option vesting pro rata to the increase in share price if the share price increase is in between the lower and the higher target.

If events occur which cause the Remuneration Committee reasonably to consider that a different or amended target would be a fairer measure of performance, the Remuneration Committee may recommend to the Board that it waives or amends the original performance target in such manner as it deems fit provided that any such amended target is not materially more difficult to achieve than the original performance target.

It should also be noted that a performance target, applying to an option, may be measured over an abbreviated period shorter than the Performance Period in circumstances where an employee ceases to be a Group employee before the end of the relevant Performance Period or certain corporate events occur (such as a change of control of the Company) before the end of the relevant Performance Period. In these

circumstances such performance target may be modified in such manner as the Remuneration Committee thinks fit so as to be applied over such abbreviated period.

Exercise of options

Normally, an option may only be exercised following the occurrence of the Vesting Date to the extent that the performance target has been satisfied and the participant is still an employee within the Group.

No option is capable of exercise more than ten years after its date of grant and will lapse on the tenth anniversary of its date of grant.

Options may not be exercised during any prohibited period specified by the AIM Rules.

In certain circumstances, options may be exercised earlier than the Vesting Date if the option holder ceases to be an employee of the Group. In particular, options may be exercised for a period of six months after the option holder ceases to be employed within the Group by reason of injury, ill health or disability (evidenced to the satisfaction of the Remuneration Committee), redundancy or retirement or upon the sale or transfer out of the Group of the company or undertaking employing him. In the event of cessation of employment of the option holder by reason of his death, his personal representatives will be entitled to exercise the option within twelve months following the date of his death. Where an option holder ceases to be employed within the Group for any other reason, options may also become exercisable for a limited period at the discretion of the Remuneration Committee.

Exercise of options is also possible earlier than the Vesting Date in the event of a takeover, a scheme of arrangement under Part 26 of the Companies Act 2006 being sanctioned by the court or the voluntary winding up of the Company. In the case of a takeover of the Company or the transfer out of the Group of the undertaking employing the option holder concerned, the Remuneration Committee may allow the option to be exercised immediately before, but with effect from, the takeover or the transfer of the undertaking concerned.

In all of these circumstances allowing for early exercise of an option prior to the Vesting Date, the option may not be exercised unless (subject to any modification or waiver of the performance target in accordance with the rules of the ESOP) the performance condition, if any, to which it is subject has been satisfied. Where an option is exercised before the occurrence of the Vesting Date, the maximum number of Ordinary Shares over which any option is capable of exercise shall, subject to the discretion of the Remuneration Committee, be pro-rated down on a time apportioned basis by reference to the time that has elapsed from the relevant date of grant to the relevant event giving rise to the early exercise of the option.

In relation to the pro-rating mechanism outlined above, the Remuneration Committee has a discretion, having full regard to all the circumstances surrounding the early exercise of an option, to ignore the prescribed pro-rating of the Ordinary Shares over which such option may be exercised and either pro-rate on some other basis or undertake no such pro-rated reduction.

Options granted to employees outside of the UK

Options granted to employees who are not UK tax resident may be made subject to specific terms intended to address specific tax liabilities as well as other legal issues arising in their local jurisdiction and if relevant, their expatriate status.

Other option terms & Issues of Ordinary Shares

The ESOP provides the facility for the exercise of an option to be satisfied by either the issue of Ordinary Shares, the transfer of Ordinary Shares held by an existing shareholder who has agreed to satisfy the exercise of the option or by the transfer of Ordinary Shares held in treasury.

Options are not capable of transfer or assignment.

Until options are exercised, option holders have no voting or other rights in relation to the Ordinary Shares subject to those options.

Ordinary Shares allotted pursuant to the exercise of an option will rank pari passu in all respects with the Ordinary Shares already in issue but shall not rank for any dividends or other distribution payable by reference to a record date preceding the date of such allotment. Ordinary Shares transferred on the exercise of an option shall be transferred without the benefit of any rights attaching to the Ordinary Shares by reference to a record date preceding the date of that exercise. For so long as the Company's Ordinary Shares are listed on AIM, the Company will make an application to the London Stock Exchange so that the Ordinary Shares issued following exercise of any options are admitted to AIM as soon as practicable after allotment.

Benefits obtained under the ESOP are not pensionable.

Administration & amendment

The ESOP is administered by the Remuneration Committee. The board of the Company may amend the provisions of the ESOP.

Termination

The ESOP may be terminated at any time by resolution of the board of the Company and shall in any event terminate on the tenth anniversary of its adoption so that no further options can be granted under the ESOP after such termination. Termination shall not affect the outstanding rights of existing option holders.

APPENDIX 3

The ZincOx Resources plc Performance Share Plan 2009 ("PSP")

Status of the PSP

Awards granted under the PSP ("Awards") will have no beneficial tax status.

Eligibility

All employees (including executive directors) of the ZincOx Resources plc ("Company") or any of its subsidiaries ("Group"), including employees located outside of the UK, are eligible to be granted an Award.

Grant

The remuneration committee of the board ("Remuneration Committee") has absolute discretion to select the persons to whom Awards are to be granted and, subject to the limits set out below, in determining the number of ordinary shares in the capital of the Company ("Ordinary Shares") subject to each Award.

Each Award will take the form of a right to acquire Ordinary Shares, being either:

- (a) in the case of an Award granted (or to be granted) by the Company, a right to acquire Ordinary Shares for a price per share equal to the nominal share value as at the date of grant; or
- (b) in any other case, a right to acquire Ordinary Shares for nil consideration.

The PSP will be operated in conjunction with the employee benefit trust which is to be established by the Company ("EBT").

Awards may be granted during the period of 42 days commencing on: (a) the date on which the PSP is adopted by the Company; (b) the dealing day immediately following the date of the preliminary announcement of the Company's annual results or the announcement of its half-yearly results in any year; or (c) any other time fixed by the Remuneration Committee where, in its discretion, circumstances are considered to be exceptional so as to justify the grant of Awards.

If the grant of an Award on any of the above days would be prohibited by virtue of the AIM Rules or any statute or regulation or any order made pursuant to such statute, then such Award may be granted within the period commencing on the dealing day immediately following the lifting of such prohibition and ending 42 days thereafter.

No consideration is payable for the grant of an Award.

Plan limits

On any date, no Award may be granted under the PSP if, as a result, the aggregate nominal value of Ordinary Shares issued or issuable pursuant to Awards granted during the previous ten years under the PSP or any other employees' share plan, profit sharing plan or employee share ownership plan adopted by the Company would exceed 10 per cent of the nominal value of the share capital of the Company in issue on that date.

For the avoidance of doubt, any Ordinary Shares which are already in issue when made subject to an Award, or which are subject to an Award which has lapsed shall be disregarded for the purpose of the above limits. Furthermore, in the event that it is intended that an Award is to be settled with Ordinary Shares which are to be transferred to the holder of such Award and which are not to be issued to the transferor of such Ordinary Shares, such Ordinary Shares shall be disregarded for the purposes of the above limits.

Individual Limit

In general, no Award may be granted under the PSP if the sum of the aggregate Market Value of the Ordinary Shares which an individual may acquire in relation to that Award and the aggregate Market Value of the Ordinary Shares which the individual may acquire in relation to other Awards granted pursuant to the PSP in the financial year of the Company during which the date of grant falls would exceed 100 per cent of the individual's salary as at the date of grant. All references to "Market Value" are to the middle market price for an Ordinary Share for the dealing day immediately preceding that date.

The individual limit can be exceeded in circumstances which the Remuneration Committee considers to be exceptional.

Performance Condition

The exercise of Awards granted under the PSP may be made conditional upon the achievement of an performance target set at the time of grant. Such performance target shall be measured over a performance period (determined by the Remuneration Committee at the time of grant but which shall not be less than three years) ("Performance Period"). The Award will become capable of exercise following a date ("Vesting Date") specified at the time of grant which occurs after the expiry of the relevant Performance Period. The Vesting Date for an Award may not occur before the third anniversary of the date of grant.

In relation to the initial grant of Awards under the PSP, it is intended that the performance target will be linked to an increase in the Company's share price so that 25% of the Ordinary Shares subject to each Award will vest (rounded down to the nearest whole share) if the share price reaches a particular target and 100% of the Ordinary Shares subject to each Award will vest if a higher target is achieved, with the Award vesting pro rata to the increase in share price if the share price increase is in between the lower and the higher target. It is intended that in addition to the share price based performance condition described in this paragraph, vesting of Awards will be subject to the discretion of the Remuneration Committee prior to vesting so as to ensure that the satisfaction of the performance condition described in this paragraph represents a genuine reflection of the Company's underlying financial performance.

If events occur which cause the Remuneration Committee reasonably to consider that a different or amended target would be a fairer measure of performance, the Remuneration Committee may recommend to the Board that it waives or amends the original performance target in such manner as it deems fit provided that any such amended target is not materially more difficult to achieve than the original performance target.

It should also be noted that a performance target, applying to an Award, may be measured over an abbreviated period shorter than the Performance Period in circumstances where an employee ceases to be a Group employee before the end of the relevant Performance Period or certain corporate events occur (such as a change of control of the Company) before the end of the relevant Performance Period. In these

circumstances such performance target may be modified in such manner as the Remuneration Committee thinks fit so as to be applied over such abbreviated period.

Exercise of Awards

Normally, an Award may only be exercised following the occurrence of the Vesting Date to the extent that the performance target has been satisfied and the Award holder is still an employee within the Group.

No Award is capable of exercise more than six months after its Vesting Date and will lapse on the expiry of such six month period, save that if an Award holder who has not previously exercised the Award shall be prevented from doing so on the last day of the such six month period by virtue of an AIM Rule restriction, the Award may be exercised within the period of 30 days following the day on which such AIM Rule restriction no longer exists.

Awards may not be exercised during any prohibited period specified by the AIM Rules.

On the exercise of an Award, but before transfer of the Ordinary Shares to the Award holder, the Remuneration Committee may (subject to the approval of the trustee of the EBT, if applicable) determine that in substitution for the Award holder's right to acquire the Ordinary Shares, the Award holder shall be paid a sum which is equal to the cash equivalent of such Ordinary Shares and shall have no right to received such Ordinary Shares. Such cash equivalent will be:

- (c) in the case of an Award granted by the Company, an amount equal to the Market Value of the total number of Ordinary Shares subject to such Award on the date on which the Award is exercised less the aggregate nominal share value of such number of Ordinary Shares as at the date of grant of such Award; or
- (d) in any other case, an amount equal to the Market Value of the total number of Ordinary Shares subject to such Award on the date on which the Award is exercised.

In certain circumstances, Awards may be exercised earlier than the Vesting Date if the Award holder ceases to be an employee of the Group. In particular, Awards may be exercised for a period of six months (or such longer period as determined by the Remuneration Committee) after the Award holder ceases to be employed within the Group by reason of injury, ill health or disability (evidenced to the satisfaction of the Remuneration Committee), redundancy or retirement, or upon the sale or transfer out of the Group of the company or undertaking employing him. In the event of cessation of employment of the Award holder by reason of his death, his personal representatives will be entitled to exercise the Award within twelve months (or such longer period as determined by the Remuneration Committee) following the date of his death. Where an Award holder ceases to be employed within the Group for any other reason, Awards may also become exercisable for a limited period at the discretion of the Remuneration Committee.

Exercise of Awards is also possible earlier than the Vesting Date in the event of a takeover, a scheme of arrangement under Part 26 of the Companies Act 2006 being sanctioned by the court or the voluntary winding up of the Company. In the case of a takeover of the Company or the transfer out of the Group of the undertaking employing the Award holder concerned, the Remuneration Committee may allow the Award to be exercised immediately before, but with effect from, the takeover or the transfer of the undertaking concerned.

In all of these circumstances allowing for early exercise of an Award prior to the Vesting Date, the Award may not be exercised unless (subject to any modification or waiver of the performance target in accordance with the rules of the PSP) the performance condition, if any, to which it is subject has been satisfied. Where an Award is exercised before the occurrence of the Vesting Date, the maximum number of Ordinary Shares over which any Award is capable of exercise shall, subject to the discretion of the Remuneration Committee, be pro-rated down on a time apportioned basis by reference to the time that has elapsed from the relevant date of grant to the relevant event giving rise to the early exercise of the Award.

In relation to the pro-rating mechanism outlined above, the Remuneration Committee has a discretion, having full regard to all the circumstances surrounding the early exercise of an Award, to ignore the prescribed pro-rating of the Ordinary Shares over which such Award may be exercised and either pro-rate on some other basis or undertake no such pro-rated reduction.

Awards to employees outside of the UK

Awards made to employees who are not UK tax resident may be made subject to specific terms intended to address specific tax liabilities as well as other legal issues arising in their local jurisdiction and if relevant, their expatriate status.

Other Award terms & Issues of Ordinary Shares

Awards are not capable of transfer or assignment.

Until Awards are exercised, Award holders have no voting or other rights in relation to the Ordinary Shares subject to those Awards.

Ordinary Shares transferred pursuant to the exercise of an Award will rank *pari passu* in all respects with the Ordinary Shares already in issue but shall not rank for any dividends or other distribution payable by reference to a record date preceding the date of such transfer. Ordinary Shares transferred on the exercise of an Award shall be transferred without the benefit of any rights attaching to the Ordinary Shares by reference to a record date preceding the date of that exercise. For so long as the Company's Ordinary Shares are listed on AIM, the Company will make an application to the London Stock Exchange so that the Ordinary Shares issued following exercise of any options are admitted to AIM as soon as practicable after allotment.

Benefits obtained under the PSP are not pensionable.

Administration & amendment

The PSP is administered by the Remuneration Committee. The board of the Company may amend the provisions of the PSP.

Adjustment of Awards

In the event of any increase or variation in the share capital of the Company, the Remuneration Committee may make such adjustment as it deems appropriate to the number of Ordinary Shares comprised in each Award, the price payable to exercise the Awards (where applicable) and/or the nominal value of the Ordinary Shares subject to Awards. Where an Award has been granted by the trustee of the EBT no such adjustment may be made without the Trustee's consent.

Termination

The PSP may be terminated at any time by resolution of the board of the Company and shall in any event terminate on the tenth anniversary of its adoption so that no further Awards can be granted under the PSP after such termination. Termination shall not affect the outstanding rights of existing Award holders.

The EBT

The EBT will be constituted by a trust deed to be entered into between the Company and a professional trust company ("Trustee"). It is intended that the first Trustee will be Lloyds TSB Offshore Trust Company Limited. The Company will have the power to appoint and remove such Trustee.

The EBT will be a discretionary settlement set up for the benefit of employees and former employees (and their immediate dependants) of the Group. The settlement will be created by the vesting of trust property in the Trustee.

The Trustee may either purchase existing Ordinary Shares in the market or subscribe for new Ordinary Shares. Whilst it is proposed that such Ordinary Shares will predominantly be used for the purposes of the PSP, they may be used in conjunction with the ESOP, the CSOP or any other employees' share plan established by the Company.

APPENDIX 4

Amendments to Current Articles of Association

General

Amendment is being made to the Current Articles in order to include definitions of the "Companies Act 2006" and the "Companies Act 1985" and to amend the definition of the "Statutes" accordingly. An interpretation provision has also been included which provides that all statutory references will be read as amended, modified or re-enacted as appropriate. Consequential changes throughout the Current Articles are being made in order to make correct reference to the newly defined terms, as well as to update and correct statutory references where appropriate.

Non-recourse borrowing

A new definition of "Non-Recourse Borrowing" has been included for use in the "borrowing limits" provision set out in Article 130.1. This change has nothing to do with the new Companies Act but is being made to exclude non-recourse borrowing from the equation used to calculate the borrowing limit. The method of calculating the borrowing limit has also been simplified.

Convening extraordinary and General Meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended to conform to new provisions in the 2006 Act. In particular a general meeting to consider a special resolution can be convened on 14 days notice whereas previously 21 days notice was required.

Votes of members

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the 2006 Act so that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. The New Articles give the directors discretion, when calculating the time limits, to exclude weekend and bank holidays. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The New Articles reflect these new provisions.

Reasons for refusal to register transfer

The 2006 Act requires the reason for a refusal by the board of directors to register a transfer of shares on the register of members to be given. The Current Articles allow the board to refuse to register any transfer of shares "without giving a reason" which is no longer appropriate. The New Articles reflect the requirement of the 2006 Act.

Conflicts of interest

The 2006 Act sets out directors' general duties which largely codify the existing law, but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly

may conflict with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts where the articles of association contain a provision to this effect. The 2006 Act also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when directors decide whether to authorise a conflict of potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers to authorise conflicts are operated effectively and that the procedures have been followed.

Electronic communication

The New Articles provide for the Company to use electronic means of communicating with, and conveying information to, members (e.g. via website). Any member may request to be sent hard copy versions of any document sent otherwise than in hard copy form free of charge.

Directors' indemnities

The 2006 Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies.