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TSUMEB PROJECT POTENTIAL CONFIRMED

ZincOx Resources plc (Ticker: ZOX), a world leader in the processing of zinc oxide deposits, has received the results of a technical study assessing the potential for the recovery of zinc and other metals from the Tsumeb slag project in Namibia.

The study was undertaken by Korea Zinc, one of the world's largest zinc producers and the leaders in the treatment of slag containing zinc. Their report, using Ausmelt technology, concludes that the slag may be processed to produce oxide "fume" in which zinc, lead, germanium, gallium and indium will be concentrated. This concentrate will then be sold for further refining.

The slag at Tsumeb accumulated as a result of lead smelting operations from 1963 to 1996. The total tonnage is reported to be 2.9 million tonnes. As metal grades reduced significantly in the latter years of the operation there exists the possibility to process higher grade material in the early years of a new operation. Check analyses at various laboratories have indicated that the germanium grade of the fumes may be 183ppm rather than the initial 263ppm reported by ZincOx based on the previous documentation. Resource confirmation work to resolve this issue is to commence shortly but until this work has been completed the reduced grade has been assumed.

Revised metal grades and expected Ausmelt recoveries are as follows:

Metal	Grade	Recovery
Zinc	9.02%	75%
Lead	2.05%	91%
Germanium	183ppm	94%
Gallium	200ppm	50%
Indium	170ppm	75%

Based on the Korea Zinc technology, the slag will be treated in series in two Ausmelt furnaces with overall operating of about US\$50/t of slag.

Zinc and germanium are the most valuable components of the fume and over the past six months there have been discussions with various companies that are processing this type of material to recover mainly zinc and germanium. These discussions indicate that, based on the zinc and germanium alone and using long term metal prices, a value of about US\$ 1060/t of fume should be realisable.

A major international supplier of furnace technology has recently developed new pyrometallurgical fuming equipment that is expected to increase the project's

economics compared to utilising the Ausmelt technology. Testwork using this new method is currently underway and results are expected by October 2002.

Over the coming months work will concentrate on the confirmation of reserves, the acquisition of a representative bulk sample and preliminary testwork on the new fuming equipment. This testwork will enable the new equipment to be compared with Ausmelt and the most attractive process will then be piloted at a large scale.

Commenting on the announcement, Andrew Woollett, ZincOx's managing director, said: "We are delighted with the recoveries indicated by Korea Zinc's report and we are very excited about improving the economic return of the project by the potential of using the new equipment".

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