

**15 March 2005**

**Jabali Feasibility Study Completed**

ZincOx Resources plc (“ZincOx” or “the Company” – symbol ZOX) is pleased to announce the completion of the feasibility study for the development of the Jabali zinc oxide deposit, in Yemen. The study indicates a project, with an internal rate of return (IRR) of 27% and a net present value of £31.2 million (post tax, using a discount rate of 10% and a zinc price of \$1,000 / tonne)

Commenting on the results, Andrew Woollett, Managing Director of ZincOx, said “This study confirms the considerable value we have created at Jabali and it should allow the project finance for its development to be put in place before the year end so that construction can commence early next year”

The deposit, which is located 110 km northeast of Sana’a, the capital city of Yemen, contains a geological resource of 12.6 million tonnes of oxide ore with grades of 8.9% zinc, 1.2% lead and 68g/t silver. There is the potential for increasing the resource further as the deposit is open on two sides.

The mineral rights to the deposit are held through an Exploration Licence which is owned by a joint venture comprising ZincOx, Anglo American plc and Ansan Wikfs (Hadramaut) Ltd, a Yemeni company. Under the terms of the joint venture agreement, ZincOx is entitled to a 60% interest by completing the feasibility study and Anglo and Ansan are entitled to 20% each.

ZincOx is currently working towards the finalisation of the terms of an Exploitation Agreement with the Government of Yemen, which will confirm the tax and other fiscal conditions assumed in the feasibility study.

MDM Ferroman, a mineral engineering firm from South Africa, carried out the feasibility study, with input from other consultants. The process flowsheet was designed by ZincOx and tested in a pilot plant operated by CTP, an independent Belgian metallurgical laboratory.

The study is based on the mining and processing of 800,000 tonnes per year of ore, containing 9.2% zinc, over 11.2 years. Mining will be from an open pit, with a 2:1 ratio of waste to ore. The ore will be treated by means of a proprietary hydrometallurgical process, test work on which has indicated a 77% zinc recovery. The plant is designed to produce approximately 70,000 tonnes per year of a high quality (99.9%) zinc oxide, containing 80% zinc. Marketing studies and test work carried out by ZincOx indicate that the final product will be of a quality suitable for direct marketing to zinc oxide consumers in Europe, the Far East and America. This material will command a substantially higher price for the contained zinc than that offered by zinc smelters, which typically only pay about 55%-65% of the value of the metal contained.

Capital costs of the project are estimated at US\$68.7 million, with a further US\$4.0 million for waste rock removal prior to mining of ore and US\$2.7 million required for working capital.

A small amount of lead is recovered and sold but generally the lead is not of an economic grade. The silver, however, passes to the tailings and a separate study has commenced to assess the viability of its commercial recovery.

Scott Wilson Mining carried out an Environmental Impact Assessment as part of the feasibility study, in accordance with World Bank guidelines and input from the Yemen Environmental Protection Authority. The study states that overall the project is considered to provide a net beneficial impact. The effect of the project with respect to employment and infrastructure development will have a long term positive impact beyond the life of the project and the area of the mine.

The Government of Yemen has stated its intention to diversify the economy of the country away from its dependence on oil and gas and is actively encouraging investment in the mining industry. The revenue generated from Jabali in terms of taxes and industrial development in Yemen will bring significant long term benefits to the country.

Discussions have commenced with certain financial institutions with respect to the provision of debt finance for development of the project. Assuming the Exploitation Agreement is finalised by the end of the second quarter, then financing should be completed by the end of this year. Construction will then commence in 2006 with production scheduled for the second half of 2007.

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