

ZincOx Resources plc finalises mandate for the financing of the Aliaga Zinc Recycling Project in Turkey

23 November 2005

ZincOx Resources plc (ZOX) has, since its update announcement on 11 November 2005 in relation to the Aliaga Zinc Recycling Project in Turkey (“the Aliaga Project”), entered into a mandate with Investec Bank (UK) Limited (“Investec”) to arrange and conditionally underwrite project debt for the development of the Aliaga Project.

Investec is one of South Africa’s leading banks with significant experience in the arrangement and provision of development loans for projects in the mining industry. Investec has made a preliminary assessment of the processing technology to be employed at Aliaga and, based on this and ZincOx’s revised cash flow models, it is envisaged that the project finance loan facility of US\$30 million will cover about two thirds of the capital required for the development of the project and that the loan will be repayable over seven years. The condition includes legal due diligence, review of the feasibility study and Investec final internal approval.

Investec will be paid a mandate fee of 400,000 equity warrants convertible into ordinary shares in the capital of the Company for a period of three years, at a conversion price of £2. A further 300,000 warrants will be awarded upon the provision of the loan. These warrants will be for a period of three years exercisable at a price representing a 133% of the price of the shares at the time the loan agreement is finalised. In addition, a fee of 2.5% of the amount of the loan will be payable at the time of the first draw down. In the event that Investec do not provide this project finance, the original warrants will be cancelled.

Investec will shortly commence a detailed evaluation of the project so that the provision of the development loan can be put in place soon after the completion of the detailed feasibility study by S.A. SNC-Lavalin Europe B.V., scheduled for March 2006.

Commenting on the announcement, Andrew Woollett, the Managing Director of ZincOx, said “I am delighted to have Investec working with us and we expect the relationship established for Aliaga to lead to their involvement in other similar projects elsewhere in the world. Investec’s willingness to study the project even before the feasibility study is completed should enable the project development to progress without delay.”

For more information please contact:

Andrew Woollett
ZincOx Resources plc
Tel: +44 (0) 1276 455700
awoollett@zincox.com

Leesa Peters / Pam Spooner
Conduit PR
Tel: +44 (0) 20 7618 8533
leesa@conduitpr.com

www.zincox.com