

ASX Announcement
Friday, 4 December 2015

Zambezi Resources Limited Completes Sale of Mpande Limestone Project

Zambezi Resources Limited ("**Zambezi**" or the "**Company**") is pleased to announce that it has successfully completed the sale of Mpande Limestone Limited ("**Mpande**"), a wholly owned subsidiary of Zambezi, which owns a cement limestone project in Zambia ("**Mpande Project**") in a 50/50 joint venture with Limestone Ventures Pty Ltd.

Following the signing of the Share Sale Agreement ("**SSA**") with African Brothers Corporation Limited ("**ABC**"), a Chinese construction company based in Zambia as announced on Friday, 30 October 2015, and the approval of Zambezi's Joint Venture partner Limestone Ventures Pty Ltd ("**LVPL**"), the SSA was settled in accordance with its terms for US\$3.45M.

From Zambezi's 50% share of the net proceeds of sale, the Company has retained A\$1M towards immediate working capital needs, with A\$845,000 being applied towards the reduction of debt to Auctus Resources Fund. The balance was paid to LVPL being their share of the net proceeds of sale. .

The Board of Zambezi will continue to focus on its major core asset being its 100% owned Kangaluyu Copper Project.

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