



24 November 2016

ZincOx Resources plc

(“ZincOx”, the “Company” or the “Group”)

Memorandum of Understanding with Korea Zinc regarding Vietnamese Recycling Project Joint Venture

ZincOx Resources plc (“ZincOx” or “the Company”) is pleased to announce it has entered into a Memorandum of Understanding with Korea Zinc Company Limited (“KZC”) for the joint development of a recycling plant in Vietnam.

The MoU sets out the principal terms of a Joint Venture Agreement under which KZC and ZincOx will jointly design and develop the new recycling plant.

The MoU foresees KZC funding 100% of a Definitive Development Study (DDS) in sufficient detail to enable the raising of project finance for the construction of the project. The DDS is expected to cost about US\$2.5 million. Korea Zinc will own 51% of a special purpose company which will be set up to develop the recycling plant, with the remaining 49% held by ZincOx. In the event that the DDS costs more than US\$3m, the interest of ZincOx in the joint venture shall be diluted proportionately accordingly to the additional funds that KZC has contributed, however ZincOx will be able to buy back its interest to 49% on the same terms in the following six months.

The recycling plant will be based on the Rotary Hearth Furnace (RHF) technology developed by ZincOx in Korea, and where KZC are the Company’s partners. The Korean Recycling Plant is one of the world’s largest facilities recycling the waste dust (EAFD) generated by recycling galvanised steel scrap and has a design capacity of 200,000 tonnes per annum.

The recycling plant is planned to treat 100,000 tpa of EAFD and in addition to upgrade both the iron and zinc intermediate products of the RHF to final products.

Commenting on the announcement, Andrew Woollett, ZincOx’s CEO, said:

“We can now accelerate the programme for the development of this important project, and we look forward to entering into the full Joint Venture Agreement in the very near future.”

For further information, please go to: www.zincox.com or contact:

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