

31 October 2008

Disposal of LMY shares

Please find attached a copy of an AIM announcement released to the AIM market of the London Stock Exchange last night on sale of the shares held by Zambezi Resources Ltd (ZRL) in Lithic Metals and Energy.

Lloyd Flint
CFO

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Stock Exchange Listings:

ASX: ZRL
AIM: ZRL

Issued Capital:

197,876,174 ordinary shares
3,230,214 listed options
13,150,000 options

Directors:

Non-Executive Chairman:
Brian Rear
Managing Director:
Julian Ford
Exploration Director:
Geoff Johnson
Non-Executive Director:
Jeremy Wrathall

Chief Financial Officer:
Lloyd Flint

30 October 2008

Zambezi Resources Limited

Disposal of Investment in Lithic Metals and Energy Limited

Zambezi Resources Limited ("Zambezi" or the "Company") (AIM: ZRL; ASX:ZRL) announces that the Company sold its entire holding of 26,633,621 ordinary shares in Lithic Metals and Energy Limited (AIM: LMY) on 28 October 2008 to three of the Directors of Lithic Metals and Energy Limited and other unrelated parties at the price of £0.005p per share for a total consideration of £133,168.

The joint venture agreements that Zambezi has entered into with LMY for ongoing uranium exploration are not affected by the sale of the investment.

For Further Information please contact:

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