



## ASX Announcement

23 June 2009

### Results of EGM

Zambezi Resources Limited ("Zambezi" or the "Company") (ASX:ZRL) today announces the results of the shareholders meeting held yesterday 22 June 2009. The resolutions were passed "in favour" as follows :

|   | Resolution                           | For        | Against    | Abstain | Open  |
|---|--------------------------------------|------------|------------|---------|-------|
| 1 | Approval of share issue to creditors | 76,125,998 | 13,864,500 | 10,000  | 2,200 |
| 2 | Approval of placement of shares      | 76,115,998 | 13,874,500 | 10,000  | 2,200 |

Resolution 1 is for the issue of 161,685,161 ordinary fully paid shares at AUD\$0.02 each to existing creditors of the Company. Resolution 2 is for the placement of up to 50 million ordinary fully paid shares at a price which is the lesser of AUD\$0.02 and 80% of the average market price of the shares over the last five days of trading before the date of issue or the prospectus if there is a prospectus relating to the issue.

Further to the announcement released to the ASX on 10 June 2009, under the terms of the agreement with Clarity Capital Ltd ("Clarity"), Clarity will invest A\$640,000 in Zambezi at 2 cents per share in two tranches. Tranche 1 will be for A\$256,000 and will take place by 27 June 2009 and Tranche 2 will be for A\$384,000 and will take place on or before 15 August 2009.

Under the terms of the Equity Placement, in Tranche 1, Clarity will subscribe for 12.8 million shares at 2 cents per share, within 5 days of the approval of the resolutions above. The placement is conditional on the approval of the resolutions before shareholders at that meeting and the verification of title of Zambezi's exploration licences in Zambia.

Tranche 2 comprises a placement of 19.2 million shares at 2 cents per share and will be conditional on technical and financial due diligence. As a condition of the second placement, Zambezi has agreed to lodge a prospectus for the granting of 52,284,000 options to Clarity. The options will expire on 30 June 2011 and will have an exercise price of 2.5 cents per share if exercised before 17 August 2010 and 3 cents per share if exercised before 17 August 2011.

For more information contact:

Julian Ford, Managing Director  
Zambezi Resources (Australia)  
+61 (08) 9216 9000  
+61 (0) 418 949 580



ARBN 124 462 826

#### Bermuda:

Canon's Court  
22 Victoria Street  
Hamilton HM12

#### Australia:

17 Ord Street  
West Perth  
PO Box 1796 WA 6872  
Tel: (+61-8) 9216 9000  
Fax: (+61-8) 9216 9090

#### Zambia:

Mwembeshi Resources Limited  
Plot 5777N  
Great East Road  
Kalundu  
Lusaka  
Tel: (+26) (021) 1291 645  
Fax: (+26) (021) 1292 411

#### Stock Exchange Listings:

ASX: ZRL

#### Issued Capital:

226,876,174 ordinary shares  
3,230,214 listed options  
8,760,000 unlisted options

#### Directors:

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

Chief Financial Officer:  
Lloyd Flint

## ADDITIONAL INFORMATION

Zambezi is listed on the Australian Securities Exchange (ASX: ZRL) having delisted from the AIM market in May 2009. The Company, which originally listed on the AIM market in 2004, has been focused on discovering and developing multiple copper gold projects in Southern Zambia. The company and its partners have spent more than US\$40 million on exploration over the past 5 years after discovering multiple green field copper and gold projects over an original tenement portfolio exceeding 17,000km<sup>2</sup>.

Zambezi has been suspended on the ASX since 1 November 2008 after it faced funding difficulties following the onset of the Global Financial Crisis in 2008 and the collapse of the copper price in late 2008. The company reached agreement with its major creditors at the end of April 2009 and has called an Extraordinary General Meeting scheduled for 22 June 2009 to seek shareholder approval to convert the debt into equity at a price of 2 cents per share. Following the Clarity Strategic Alliance, Zambezi will retain its uranium projects (of which approximately 50% of its tenement area is in joint venture with Lithic Metals and Energy) and its joint venture interests in the Cheowa project with Glencore International.