

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take or the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

The Directors of the Company whose names appear on page 3 of this document accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and there are no other facts the omission of which would affect the import of such information. All the Directors accept responsibility accordingly. In connection with the Offer, no person is authorised to give any information or make any representation other than as contained in this document.

This document, which comprises an admission document drawn up in accordance with the Ofex Rules, has been issued in connection with the proposed application for trading of the Ordinary Shares and the Warrants on Ofex. This document does not constitute a prospectus.

The share capital of the Company is not presently listed or dealt in on any stock exchange. It is intended that an application will be made for all the Ordinary Shares and the Warrants of the Company to be traded on Ofex. **Ofex is a market operated by Ofex plc for the trading of unlisted securities and is not classified as a regulated market under EU financial services law. Ofex is a market for smaller companies which tend to involve a higher investment risk than more mature companies. If you are in any doubt about the contents of this document you should consult a person authorised by the FSA to provide investment advice.**

A decision to invest in Ofex securities should only be made on the basis of due and careful consideration and appropriate professional advice. It is emphasised that no application is being made for the admission of the Ordinary Shares or the Warrants to the Official List of the UK Listing Authority or to trading on AIM, a market operated by London Stock Exchange plc ("AIM"). The rules of Ofex are less demanding than those of the Official List or AIM.

ZimNRG plc

(Incorporated in England and Wales under the Companies Act 1985 with Registered Number 05714562)

Offer for Subscription

**of up to 75,000,000 Ordinary Shares
at a price of 2p per share payable in full on application
and**

**Admission to trading on Ofex of the whole of the
issued Ordinary Share capital and of the Warrants**

**Corporate Adviser
Loeb Aron & Company Ltd**

Ordinary Share Capital of the Company immediately following the Offer
(assuming full subscription of the Offer Shares)

<i>Authorised</i>			<i>Issued</i>	
<i>Amount</i>	<i>Number</i>		<i>Amount</i>	<i>Number</i>
£750,000	150,000,000	Ordinary Shares of 0.5p each	£400,000.00	80,000,000

Loeb Aron & Company Ltd, which is regulated by the Financial Services Authority and is a member of Ofex, is the Company's Corporate Adviser for the purposes of the Offer.

The advisers named on page 3 are acting for the Company and for no one else in relation to the arrangements proposed in this document and will not be responsible for anyone other than the Company for providing the protections afforded to clients of such advisers or for providing advice in relation to the Offer.

The subscription list for the Offer Shares will open at 10.00 am on 3 July 2006 and may be closed at any time thereafter, but not later than 3.00 pm on 31 July 2006 unless at the discretion of the Directors it is extended beyond that date. The terms and conditions and procedure for application are set out in Part V of this document and the application form is set out at the end of this document.

The whole text of this document should be read. An investment in ZimNRG plc involves a high degree of risk and, in particular, attention is drawn to the section entitled "Risk Factors" in Part II of this document. An investment in the Company may not be suitable for all recipients of this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Jonathan de Thierry Christopher Latilla-Campbell Alan Mason Shingayi Mutasa	Non-Executive Chairman Managing Director Executive Director Non-Executive Director
Company Secretary	Christopher Latilla-Campbell	
Registered Office	The Old Hop Kiln 1 Long Garden Walk Farnham Surrey GU9 7HX	
Corporate Adviser	Loeb Aron & Company Ltd Georgian House 63 Coleman Street London EC2R 5BB	
Auditors and Reporting Accountants	Edwards Veeder (Oldham) LLP Brunswick Square Union Street Oldham OL1 1DE	
Solicitors to the Company and the Offer	Edwin Coe 2 Stone Buildings Lincoln's Inn London WC2A 3TH	
Registrars	Computershare Investor Services plc PO Box 82 The Pavilions Bristol BS99 7NH	

DEFINITIONS

In this document, where the context permits, the expressions set out below shall bear the following meanings:

“the Act”	the Companies Act 1985, as amended;
“Additional Warrants”	additional warrants to subscribe for Ordinary Shares at a price of 4p per share, further details of which are set out in paragraph 11.2 of Part IV of this document.
“Admission”	admission of the Ordinary Shares, in issue and to be issued pursuant to the Offer, and the Warrants to trading on Ofex;
“AIM”	a market operated by the London Stock Exchange;
“Application Form”	the application form set out at the end of this document;
“Committed Investors”	the persons who have agreed to subscribe for shares in the company pursuant to committed investor agreements and letter undertakings details of which are set out in paragraph 11.3 to 11.5;
“Company”	ZimNRG plc;
“CRESTCo”	CRESTCo Limited, the operator of CREST;
“CREST Regulations”	the Uncertificated Securities Regulations 2001, as amended from time to time;
“Directors” or “Board”	the board of directors of the Company;
“Loeb Aron & Co.”	Loeb Aron & Company Ltd;
“London Stock Exchange”	London Stock Exchange plc;
“Offer”	the invitation by the Company to subscribe for the Offer Shares set out in this document;
“Ofex”	a market operated by Ofex plc which is regulated by the Financial Services Authority, which allows trading in the shares of unquoted companies;
“Offer Price”	the offer price of 2p per Offer Share;
“Offer Shares”	up to 75,000,000 Ordinary Shares which are the subject of the Offer;
“Ordinary Shares”	ordinary shares of 0.5p each in the capital of the Company;
“Parastatal Sector”	Organisations taking on some of the roles of government, through which a government operates indirectly;
“Somers Investments”	Somers Investments Limited a company incorporated in the Isle of Man with company number 47968; and
“Warrants”	warrants to subscribe for Ordinary Shares at a price of 3p per share, further details of which are set out in paragraph 11.2 of Part IV of this document.

OFFER STATISTICS

Offer Price	2p
Market Capitalisation at the Offer Price on Admission (assuming full subscription)	£1,600,000
Number of Ordinary Shares in issue following the Offer (assuming full subscription)	80,000,000
Number of Warrants in issue following the Offer	33,250,000
Proportion of enlarged issued Ordinary Share capital now being offered, assuming full subscription	93.75%
Number of Offer Shares, the subject of the Offer	75,000,000
Gross proceeds receivable by the Company pursuant to the Offer (assuming full subscription)	£1,500,000
Net proceeds of the Offer receivable by the Company (assuming full subscription)	£1,360,000

EXPECTED TIMETABLE

Offer opens	3 July 2006
Offer closes	31 July 2006
Issue of share certificates	by 7 August 2006
Expected date of Admission	14 August 2006

PART I

INFORMATION ON THE COMPANY

Introduction and Investment Strategy

The Company is a newly incorporated company that has been established by the Directors to utilise their contacts and experience in southern Africa, and in Zimbabwe in particular. Their focus will be to invest in or acquire assets, joint ventures, businesses or companies across all sectors relating to natural resources and energy that are based in, or have their headquarters in or have interests in that region. The Directors intend to identify opportunities that they consider have the potential to produce a favourable return in either the short, medium or longer terms. The Directors intend to fund such acquisitions and investment by using a mixture of cash, equity and possibly debt. The Directors intend actively to monitor any investments and/or acquisitions made by the Company. The Company has not yet commenced trading.

The Directors believe that their collective experience in the areas of business, corporate and financial management in relation to small and medium sized businesses as well as their regular access to both official channels, the Parastatal sector and small to medium sized businesses particularly in Zimbabwe, will assist them in the identification and evaluation of investment and acquisition opportunities for the Company in that region. The Company will focus on becoming a “natural resources gateway” for investment in Zimbabwe and southern Africa.

Due to their personal connections and business interests in southern Africa, and in Zimbabwe in particular, the Directors may present investment or acquisition opportunities to the Board in which they may be personally interested. Such opportunities will be fully disclosed to the Board and the Director or Directors holding such interests will be excluded from decisions made by the Board in relation to that opportunity unless the manner in which their interest is held is aligned with the interests of the Company and so does not give rise to a conflict of interest or potential conflict of interest. Loeb Aron & Co., as corporate adviser to the Company, will also be asked to write a position memorandum regarding any actual or potential conflicts of interest for submission to the Board prior to consideration of the proposal.

At present the Directors are assessing a number of investment or acquisition opportunities in Zimbabwe but have not, at this stage, carried out any formal due diligence and no commitments have been entered into. Initial due diligence will be carried out by the Directors who may, in addition, commission third party due diligence as appropriate. Once terms have been negotiated and finalised for any possible investment or acquisition, shareholders approval may be sought if the transaction constitutes a reverse takeover or change of control. It is intended that any joint venture, company, business or opportunity that the Company may invest in or acquire will:

- be primarily concerned with natural resources, minerals, metals or energy or their associated industries; and
- be involved with a project of demonstrated geological and/or commercial merit.

The key attributes the Directors will look for in a prospective investment or acquisition target are as follows:

- competent technical management in the relevant location; and
- either to be in production or to have the ability to generate revenue streams in the short to medium term or to be of sufficient merit and scale that a trade sale represents a viable exit strategy.

Company overheads will be kept to a minimum.

The net proceeds of the Offer will be utilised to fund the review of, and due diligence on, potential acquisitions or investments, to provide working capital and if applicable be applied towards the funding of acquisitions or investments.

Upon Admission the Company will have no trading activity.

Your attention is drawn to the Risk Factors set out in Part II of this document.

Directors

Jonathan de Thierry, aged 42, BSc, Non-executive Chairman

Jonathan de Thierry, an English graduate geologist, has almost 15 years of specific experience within the African resource sector, as a geologist, mining equity analyst and corporate financier. He initially gained experience through Gold Fields of South Africa at their gold operations and base metal exploration programmes in South Africa and Namibia. He later worked at KPMG, HSBC James Capel and HSBC Corporate Finance. Later with HSBC Equator, he advised resource and mining companies on projects in Ghana, Zambia and South Africa. Since leaving HSBC in 2002 he has worked in corporate development for Platmin Ltd, an emerging platinum junior in South Africa, assisting in a major capital raising exercise and advising on a number of high profile black economic empowerment deals. He is currently a director of Platmin Congo Ltd, Saminco Resources Ltd and Kasai Mining and Exploration Ltd, companies with mineral exploration projects in Zambia and the Democratic Republic of Congo.

Christopher Peter Latilla-Campbell, aged 46, B. Compt, CA(Z), Director

Christopher Latilla-Campbell qualified as a Chartered accountant in November 1985 with Deloitte, Haskins and Sells, Harare, Zimbabwe, before moving to the UK in January 1986 as Financial Controller of Cambridge Nutrition Limited. After nearly two years in this role he worked as Accountant for Anglo American Agriculture plc, before becoming Managing Director of Fullers Investments Limited and its subsidiary London Finance & Investment Corporation Ltd (an investment group with a portfolio of quoted shares, operating projects and real estate) in April 1989. In April 2005 on the restructuring and dissolution of Fullers Investments Limited Christopher continued as Managing Director of London Finance & Investment Corporation Limited. Christopher is also a Management Committee member and partner of Golden Valley Mine, Kadoma Zimbabwe. Christopher was also a non-executive director of Monteagle Holdings SA between 1991 and 2000. Monteagle Holdings SA is a Luxembourg company, listed in London, Johannesburg, and Luxembourg, and was at that time a holder of extensive mining and farming interests in Zimbabwe.

Alan Frederick Mason, aged 53, LLB, Director

Alan Mason is a practicing solicitor having qualified in 1977. He was articled at the firm of Isadore Goldman & Son Solicitors in London, becoming a salaried partner in 1979 and an equity partner in 1981. In 1986 he left that firm and founded Alan F. Mason & Co Solicitors in London. In 1988 he became founding partner of Dawson Mason & Carr running the London office in partnership with Dawson Mason & Carr Solicitors in Guildford. Alan is a commercial solicitor with experience in a wide range of commercial law. He has acted for international companies and professional consultancies as well as professional institutes in the financial sector. He also has expertise in international commercial contracts, intellectual property and commercial negotiations.

Shingayi Mutasa, aged 47, BSc, Non-executive Director

Shingayi Mutasa obtained a degree in economics from University College London in 1980. In 1998, Shingayi became Executive Chairman of TA Holdings Limited, an investment holding company which has been listed on the Zimbabwe stock exchange since 1964. TA Holdings Limited currently has interests in the hospitality, insurance, agrochemical and food processing industries in Zimbabwe, South Africa, Botswana and Uganda. He is also the chairman of Zimnat Lion Insurance Company Limited, an insurance company listed on the Zimbabwe stock exchange.

Corporate Governance

The Directors recognise the importance of sound corporate governance and intend to observe the requirements of the Code of Best Practice, as published by the Committee on Corporate Governance (commonly known as the "Combined Code") and the guidance for Smaller Quoted Companies published by the Quoted Companies Alliance to the extent they consider appropriate in light of the Company's size, stage of development and resources. At present, due to the size of the Company, audit and risk management issues will be addressed by

the Board. As the Company grows the Board will consider establishing an audit and management committee and will consider developing further policies and procedures which reflect the principles of good governance and the Combined Code.

Warrants

The Company has agreed, conditional on Admission, to grant up to 30,750,000 Warrants to Committed Investors and 2,500,000 Warrants to Loeb Aron & Co as arranger. Further details of the Warrants can be found in paragraph 11.2 of Part IV of this document.

Marketability of Shares and Ofex

The share capital of the Company is not presently listed or dealt in on any stock exchange. It is intended that an application will be made for the Company's issued Ordinary Shares and issued Warrants to be traded on the Ofex market and the Offer is conditional upon the grant of permission to trade Ordinary Shares and Warrants on Ofex being obtained. It is emphasised that no application is being made for admission of these securities to AIM or the Official List of the UK Listing Authority. Ofex is a market operated by Ofex plc and is not part of any market operated by London Stock Exchange. Ofex also has a comprehensive company information and announcement system called Newstrack, which is presently distributed by Bloomberg, Thomson Financial, Reuters, Telekurs, ADVN, AFX News and FT Interactive Data (incorporating Comstock). Newstrack is an electronic news and information service for professional intermediaries which carries information on Ofex companies, announcements by such companies and other information on Ofex including mid-prices. Newstrack is available to private investors through the Internet at www.ofex.com.

Any individual wishing to buy or sell shares, which are traded on the Ofex market, must trade through a stockbroker (being a member of the Ofex market and regulated by the Financial Services Authority) as the market's facilities are not available directly to the public.

Terms of the Offer

Existing shareholders are not selling any Ordinary Shares pursuant to the Offer and up to 75,000,000 new Ordinary Shares are being issued by the Company, representing a total of 93.75 per cent of the issued share capital of the Company immediately following the Offer (assuming full subscription). In the event of over-subscription, the Directors reserve the right to issue up to an additional 10,000,000 Offer Shares.

The Offer is conditional upon the Company's application to join Ofex being accepted and the minimum subscription of £455,000 being met. Investors may apply for a minimum of 100,000 Offer Shares (£2,000) and thereafter in multiples of 25,000 Offer Shares. Applications must be made on the Application Form. Details of the procedure for application for Offer Shares are set out in Part V of this document. The Directors reserve the right to reject in whole or in part or to scale down any application.

The subscription list will open at 10.00 am on 3 July 2006 and may be closed at any time thereafter but in any event no later than 3.00 pm on 31 July 2006, unless extended by the Directors. The subscription price of 2p per Offer Share is payable in full on application.

The Offer Shares will, following allotment, rank *pari passu* in all respects with the existing issued Ordinary Shares and will have the right to receive all dividends and other distributions hereafter declared, made or paid in respect of the issued Ordinary Share capital of the Company.

Reasons for the Offer

The Offer will raise approximately £1,360,000 for the Company net of expenses (assuming full subscription). The proceeds of the Offer will be used to provide funds needed by the Company to identify and carry out due diligence on potential acquisitions and investments and to provide working capital for the Company's initial operations in line with its acquisition and investment strategy.

The Directors believe that the benefits of the Offer and Admission include:

- the ability to enter into negotiations with vendors of assets such as rights, licences, properties, businesses or companies, to whom the issue of publicly traded shares as consideration is potentially more attractive than the issue of shares in an equivalent private company for which no market exists;
- the raised public profile of the Company will make it a preferred route for investment in Zimbabwe and southern Africa at the appropriate time;
- the ability to raise further funds in the future, either to enable a proposed acquisition or investment to be completed and/or to raise additional working capital or development capital for the Company once the acquisition or investment has been completed; and
- the ability, in the future, to attract and incentivise high calibre directors and employees by offering share options. The Directors consider that the ability to grant options over publicly traded shares is potentially more attractive to directors and employees than the grant of options over unquoted shares.

The Directors believe that the profile of the Company will be significantly enhanced by its position as a company whose shares are traded on Ofex. None of the Directors is selling any Ordinary Shares in or as a consequence of the Offer.

Committed investors

The Company has entered into investment agreements (“Committed Investor Agreements”) with each of Somers Investments (a company which is owned by a discretionary trust of which Christopher Latilla-Campbell is a potential beneficiary), and Loeb Aron & Co. Pursuant to the Committed Investor Agreements and letter undertakings received by Loeb Aron & Co. (details of which are set out at paragraph 11.5 of Part IV of this document), Committed Investors have agreed to subscribe for a minimum total aggregate of 30,750,000 Offer Shares. Further details of the Committed Investor Agreements are provided in paragraphs 11.3 to 11.5 of part IV of this document.

Lock-in Arrangements

On the start of trading on Ofex, the Directors will be interested in up to 15,750,000 Ordinary Shares representing 19.68 per cent of the issued share capital of the Company and 11,250,000 Warrants assuming full subscription under the Offer.

Each of Jonathan de Thierry, Christopher Latilla-Campbell, Alan Mason and Somers Investments have undertaken that, save in limited circumstances or otherwise with the prior written consent of Loeb Aron & Co., they will not (and will procure, in so far as they are able, that any person with whom they are connected for the purposes of Section 346 of the Act will not) during a period of twelve months from start of trading on Ofex, dispose of any interest in Ordinary Shares or Warrants held by them.

Share Dealing Code

The Company has adopted and will operate a share dealing code to prevent directors and applicable employees from dealing in Ordinary Shares during close periods in accordance with Rule 43 of the Ofex Rules.

Dividend Policy

The Company has not yet commenced trading and the Directors consider that it is inappropriate to give an indication of the likely level of any future dividends until such time as the Company's business has been built and developed.

CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Company's Articles of Association permit the holding of Ordinary Shares to be evidenced in uncertificated form in accordance with CREST Regulations. The Directors have applied for the Ordinary Shares to be admitted to CREST with effect from Admission and CRESTCo has agreed to such admission. Accordingly settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system, should Shareholders so wish.

CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able so to do.

All the Ordinary Shares will be in registered form and no temporary documents of title will be issued.

Taxation

Due to the nature of the Company's proposed business, the issue of Ordinary Shares will not rank as a qualifying investment for the purposes of the Enterprise Investment Scheme nor will it be a "qualifying holding" for the purposes of investment by Venture Capital Trusts.

Further information regarding taxation in relation to the Offer and Admission is set out in paragraph 7 of Part IV of this document. If you are in any doubt as to your tax position you should consult your own independent financial adviser immediately.

Risk Factors

Your attention is drawn to the risk factors set out in Part II of this document. Potential investors should carefully consider the risks described in Part II before making a decision to invest in the Company.

PART II

RISK FACTORS

The attention of potential investors is drawn to the fact that the purchase of Ordinary Shares in the Company involves a variety of risks. Investors should be aware of the risks associated with an investment in a business in the early stages of development. All potential investors should carefully consider the entire contents of this document including, but not limited to, the factors described below before deciding whether or not to invest in the Company. The information below does not purport to be an exhaustive list or summary of the risks affecting the Company and are not set out in any particular order of priority. There may be additional risks of which the Directors are not aware. Investors should consider carefully these risks before making a decision to invest in the Company.

If any of the events described in the following risks actually occur, the Company's business, financial conditions, results or future operations could be adversely affected. In such a case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Company. The Company is considered by the Directors and Loeb Aron & Co. to be a high risk proposition.

- The success of the Company depends largely upon the expertise of the current executive Directors and their ability to find suitable investments for the Company. The loss of one or other of the executive Directors or their inability to find suitable investments for the Company would have an adverse effect on the Company and its viability; whilst the company has entered into contractual arrangements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. Accordingly, the loss of any key management of the Company may have an adverse effect on the future of its business.
- The Company's future success will also depend, *inter alia*, on its future directors and management team. The recruitment of suitably skilled directors and retention of their services or the services of any future management team cannot be guaranteed.
- The Ordinary Shares are not listed or traded on any stock exchange. Notwithstanding the fact that an application will be made for the Ordinary Shares to be traded through Ofex this should not be taken as implying that there will be a "liquid" market in the Ordinary Shares. An investment in the Ordinary Shares may thus be difficult to realise. The value of the Ordinary Shares may go down as well as up. Investors may therefore realise less than their original investment, or sustain a total loss of their investment.
- Continued admission to the Ofex market is entirely at the discretion of Ofex plc.
- Ofex is not AIM or the Official List. Consequently, it may be more difficult for an investor to sell his or her Ordinary Shares and he or she may receive less than the amount paid. The market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets or operations.
- The share prices of public companies are often subject to significant fluctuations. In particular, the market for shares in smaller public companies is less liquid than for larger public companies. Consequently, the Company's share price may be subject to greater fluctuation and the Ordinary Shares may be difficult to sell.
- It is likely that the Company will need to raise further funds in the future, either to complete a proposed acquisition or investment or to raise further working or development capital for such an acquisition or investment. There is no guarantee that the then prevailing market conditions

will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at the same price as the Offer Price, or higher. Shareholders may be materially diluted by any further issue of Ordinary Shares by the Company.

- Any changes to the regulatory environment, in particular the Ofex Rules regarding companies such as the Company, could for example, affect the ability of the Company to maintain a trading facility on Ofex.
- The Company intends to invest or make acquisitions in an extremely politically and economically volatile region. Such conditions may impede the Company's ability to make suitable investments or acquisitions and those that are made may be subject to uncertainty. No assurance can be given that such factors will not have a material adverse effect on the Company's ability to carry out its proposed investment strategy in Zimbabwe and southern Africa or that such strategy can be carried out on any given time scale. The risk of nationalisation and/or expropriation of assets exists and cannot be quantified.
- The Company's business may be adversely affected by the introduction of new legislation, amendments to existing legislation by the Zimbabwe government or the interpretation of those laws by the Zimbabwe government which could impact adversely on the assets, operations and ultimately the financial performance of the Company.
- Currency fluctuations and exchange control restrictions imposed in the countries in which the Company can invest may affect the cash flow the Company may realise from its investments. Fluctuations in exchange rates between currencies in which the Company operates in the future may cause fluctuations in its financial results.
- The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, explosions and acts of God. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. No assurance can be given that the Company will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.
- The occurrence of any of these hazards can delay activities of the Company and may result in liability. The Company may become subject to pollution or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible.
- All of the Company's properties and operations will largely be located in a foreign jurisdiction. As a result, the Company is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, terrorism, nationalisation, appropriation of property without fair compensation, cancellation or modification of contract rights, export quotas, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the area in which these operations are conducted, as well as risks of loss due to civil strife, acts of war (whether declared or not), guerrilla activities and insurrection.
- The Company is dependent upon its current executive management team.

The investment opportunity offered in this document may not be suitable for all recipients of this document. Investors are therefore strongly recommended to consult an adviser authorised under the Financial Services and Markets Act 2000, who specialises in investments of this nature before making their decision to invest.

PART III

ACCOUNTANTS' REPORT ON ZimNRG PLC

The following is the text of a report from Edwards Veeder, reporting accountants:

The Directors
ZimNRG plc
The Old Hop Kiln
1 Long Garden Walk
Farnham
Surrey
GU9 7HX

**Edwards
Veeder**
Chartered Accountants
& Business Advisors

and

The Directors
Loeb Aron & Company Ltd
Georgian House
63 Coleman Street
London
EC2R 2BB

Block E, Brunswick Square
Union Street
Oldham OL1 1DE
Tel 0161 520 2133
Fax 0161 6201703
www.edwardsveeder.co.uk
advice@edwardsveeder.co.uk

23 June 2006

Dear Sirs

ZimNRG PLC

We report on the financial information set out in Sections 1 to 4 below. This financial information has been prepared for inclusion in the Ofex admission document dated 30 June 2006 (the "Admission Document") of ZimNRG plc on the basis of the accounting policies set out in section 3.1. This report is required by the Ofex rules for issuers and is given for the purpose of complying with the Ofex Rules for issuers and for no other purpose.

Introduction

The Company was incorporated in England and Wales on 20 February 2006 as ZimNRG plc. The Company has not traded, prepared any financial statements for the presentation to members, incurred neither profit nor loss, and has neither declared nor paid dividends or made any other distributions since the date of incorporation. There have been no transactions other than the allotment of shares described below. Accordingly, no profit and loss information is presented in this report.

Basis of Preparation

The financial information set out in paragraphs 1 to 3 has been extracted from the financial records of the Company for the period from incorporation to 31 March 2006, prepared on the basis described in note 3.1 and after making such adjustments as we consider necessary. No audited financial statements have been prepared for submission to members in respect of any period since incorporation.

Responsibility

Such financial records are the responsibility of the directors of the Company ("the Directors") who approved their issue.

The Directors of the Company are responsible for the contents of the Admission Document in which this report is included.

It is our responsibility as reporting accountants to compile the financial information set out in our report

from the financial information, to form an opinion on the financial information and to report our opinion to you.

Our work has been undertaken so that we may state those matters that we are required to state in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone for any other purpose for our work, for this report or for the opinions we have formed.

Basis of Opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial records underlying the financial information and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion the financial information gives, for the purposes of the Ofex Admission Document, a true and fair view of the state of affairs of ZimNRG plc as at 31 March 2006 and of its results and cash flows for the period then ended in accordance with the basis of preparation set out in section 3.1 and in accordance with accounting principles generally accepted in the United Kingdom as described in section 3.1.

Declaration

For the purposes of the Ofex Rules for issuers we are responsible for this report as part of the Ofex admission document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its understanding. This declaration is included in the Ofex admission document in compliance with the Ofex Rules for issuers.

1. BALANCE SHEETS

	Notes	31 March 2006
		£
CURRENT ASSETS		
Debtors	3.4	45,000
Cash at bank and in hand		5,000
		<hr/>
NET CURRENT ASSETS		50,000
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> <hr/>
CAPITAL AND RESERVES		
Called up share capital	3.5	5,000
Share Premium Reserve	3.6	45,000
		<hr/>
Equity shareholders' funds	3.7	50,000
		<hr/>

2. CASH FLOW STATEMENTS

	Notes	Period from 20 February 2006 to 31 March 2006 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		
Issue of equity share capital at par	3.8	(45,000)
Share premium on issue of equity share capital		5,000
		45,000
INCREASE IN CASH	3.8	<u>5,000</u>

3. NOTES TO THE FINANCIAL INFORMATION

3.1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial information presented.

Basis of preparation of financial statements

This financial information has been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial information in Part III of the Admission Document does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

3.2 Directors and their interests

The directors who served the company during the period together with their beneficial and family interests in the number of shares of the company were as follows:

	At 31st March 2006
Christopher Latilla-Campbell	3,500,000
Alan Mason	500,000
Jonathan de Thierry	-
Shingayi Mutasa	-

The shares in which Christopher Latilla-Campbell has an interest are held by Somers Investments, a company controlled by a discretionary trust of which Christopher Latilla-Campbell is a potential beneficiary.

3.3 Corporation tax

There is no liability to taxation in respect of the period from incorporation to date.

3.4 Debtors

	31st March 2006
	£
Unpaid share capital	45,000
	<hr/>

3.5 Share Capital

	31st March 2006
	£
Authorised	
100,000,000 ordinary shares of 0.1p each	100,000
	<hr/>
Allotted called up and fully paid	
5,000,000 ordinary shares of 0.1p each	5,000
	<hr/>

The Company was incorporated on 20 February 2006 with an authorised share capital of 10,000,000 ordinary shares of 1p each. On that date 2 ordinary shares were issued.

On 24 March 2006 each of the ordinary shares of 1p were subdivided into 10 ordinary shares of 0.1p each.

On 24 March 2006 a further 4,999,980 ordinary 0.1p shares were issued at 1p per share.

3.6 Reserves

	Share premium account
	£
At 20 February 2006	-
Arising on issue of shares	45,000
	<hr/>
At 31 March 2006	45,000
	<hr/>

3.7 Reconciliation of movements in shareholders' funds

	Period from 20 February 2006 to 31 March 2006
	£
Share capital issued	5,000
Premium on shares issued	45,000
	<hr/>
	50,000
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	50,000
	<hr/>

3.8 Notes to the statement of cash flows

Net cash outflow from operating activities

	Period from 20 February 2006 to 31 March 2006
	£
Operating profit	-
(Increase) in debtors	(45,000)
	<hr/>
	(45,000)
	<hr/>

Reconciliation of net cashflow to movement in net funds

	Period from 20 February 2006 to 31 March 2006
	£
Increase in net cash in the period	5,000
Net funds at 20 February 2006	-
	<hr/>
Net Funds at 31 March 2006	5,000
	<hr/>

3.9 Related party transactions

The company was under the control of Somers Investments, for the period to 31 March 2006. Somers Investments Limited hold 70% of the issued share capital of the company.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

3.10 Post Balance Sheet Events

On 21 June 2006, resolutions of the Company were passed to consolidate each of the issued and unissued ordinary shares of 0.1p each into 5 ordinary shares of 0.5p each and increase the authorised share capital from £100,000 to £750,000. Also on this date 4,000,000 ordinary shares of 0.5p each were issued at par to the existing shareholders pro rata to their share holdings by way of the capitalisation of share premium account.

On 21 June 2006, the Company granted the four directors share options over 1,000,000 ordinary shares each. Of these one third is exercisable after each of the first, second and third anniversaries of Admission to Ofex at 2p per share.

Yours faithfully

Edwards Veeder (Oldham) LLP
Registered Auditor

PART IV

STATUTORY AND GENERAL INFORMATION

1 Incorporation and Registration

- 1.1** The Company was incorporated in England and Wales with registration number 05714562 on 20 February 2006 as a public limited company with the name ZimNRG plc. The principal legislation under which the Company operates is the Act and the regulations made under it. The liability of the members of the Company is limited.
- 1.2** It is intended that the Company will apply for a certificate permitting it to commence business and borrow under section 117(1) of the Act upon the closing of the Offer, assuming the minimum subscription under the Offer has been met.
- 1.3** The registered office of the Company is at The Old Hop Kiln, 1 Long Garden Walk, Farnham, Surrey GU9 7HX and the telephone number is +44(0)1252 725 771.

2 Share Capital

- 2.1** On incorporation, the authorised share capital of the Company was £100,000 divided into 10,000,000 ordinary shares of 1p of which 2 shares were issued to the subscribers to the Company's Memorandum of Association.
- 2.2** On 24 March 2006, a resolution of the Company was passed to subdivide each of the issued and unissued ordinary shares of 1p each into 10 ordinary shares of 0.1p each.
- 2.3** On 21 June 2006, resolutions of the Company were passed to:
- (a)** consolidate each of the issued and unissued ordinary shares of 0.1p each into 5 Ordinary Shares; and
 - (b)** increase the authorised share capital of the Company from £100,000 to £750,000 by the creation of 130,000,000 Ordinary Shares.
- 2.4** There have been no other changes to the company's authorized share capital since incorporation.
- 2.5** Since incorporation, there have been the following changes in the issued share capital of the Company:
- (a)** on 20 February 2006, the two subscriber Ordinary Shares were transferred one of each to Alan Mason and Somers Investments respectively;
 - (b)** on 24 March 2006, resolutions of the Company were passed for the following purposes:
 - (i)** to authorise the Directors pursuant to and in accordance with Section 80 of the Act to exercise all the powers of the Company to allot relevant securities (as defined in section 80 of the Act) up to an aggregate nominal amount of the authorised but unissued share capital of the Company, such authority to expire 15 months after the passing of the resolution; and
 - (ii)** to empower the Directors pursuant to Section 95 of the Act to allot equity securities up to the amount of the authorised but unissued share capital of the Company (as defined in section 94 of the Act) for cash pursuant to the section 80 authority as if

Section 89(1) of the Act did not apply to any such allotment, such power to expire 15 months after the date of the resolution or the date of the annual general meeting of the Company to be held in 2007 (whichever is the earlier).

- (c) On 24 March 2006 the Company issued 4,999,980 new ordinary shares of 0.1p each at a subscription price of 1p per share.
 - (d) On 21 June 2006 the Company issued 4,000,000 new Ordinary Shares at par and paid up by way of the capitalisation of share premium account.
 - (e) Save as disclosed in paragraph 2.5, there has been no issue of share capital of the Company since its incorporation.
- 2.6 Pursuant to a warrant instrument, the Company constituted 40,000,000 Warrants, further details of which are set out at paragraph 11.2 below.
- 2.7 Save to the extent disapplied as disclosed in paragraph 2, the provisions of section 89 of the Act confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash.
- 2.8 No shares of the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are either waived or agreed to be waived.
- 2.9 Save as disclosed in this paragraph 2, no share capital or loan capital of the Company has been issued and save for the Offer Shares and Ordinary Shares to be issued upon exercise of the Warrants referred to in this paragraph 2 no share or loan capital of the Company is now proposed to be issued, either fully or partly paid or for cash or any other consideration. Save as disclosed in this paragraph 2, no share or loan capital of the Company is proposed to be issued or is under option or is agreed conditionally or unconditionally to be put under option.
- 2.10 Save for the issue of the Offer Shares and on the exercise of the Warrants as described in this paragraph 2, the Company has no present intention to issue any of the authorised but unissued share capital of the Company.
- 2.11 Except as stated in this Part IV:
- (a) the Company does not have in issue any securities not representing share capital; and
 - (b) there are no outstanding convertible securities issued by the Company.

3 Memorandum and Articles of Association

- 3.1 The memorandum of association of the Company provides that the Company's principal object is to carry on business as a general commercial company.
- 3.2 The Company's articles of association contain, *inter alia*, provisions to the following effect:
- (a) *Rights attaching to shares*

Subject to the provisions of the Articles and the Companies Acts, and in particular to those conferring rights of redemption, and without prejudice to any special rights conferred on the holders of any shares or class of shares, any shares in the Company may be issued with or have attached to them such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise,

as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Directors may determine.

Subject to the Companies Act, any shares may be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.

The Board may issue share warrants to bearer in respect of any fully paid shares under the Seal or in any other manner authorised by the Board. Any share while represented by such warrant shall be transferable by delivery of the warrant relating to it. In any case in which a warrant is so issued, the Board may provide for the payment of dividends or other moneys on the shares represented by the warrant by coupons or otherwise. The Board may decide, either generally or in any particular case, that any signature on a warrant may be applied by mechanical means or printed on it or that the warrant need not be signed by any person.

(b) *Variation of class rights*

Subject to the Companies Acts and the terms of their issue, all or any of the rights and restrictions for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied, added to or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such shares.

(c) *Alteration of Capital*

The Company may from time to time by ordinary resolution

- (i)** consolidate and divide all or any of its share capital into shares of larger amount, sub-divide all or any of its shares into shares of smaller amount (subject, nevertheless, to the Act) and so that the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from the sub-division one or more shares may have any such preferred or other special rights over, or may have such deferred or qualified rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares and cancel any shares not at the date of the resolution taken or agreed to be taken by any person;
- (ii)** Subject to any consent required by law, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account;
- (iii)** Subject to the provisions of the Act and the articles of association, all unissued shares of the Company are at the disposal of the Directors;
- (iv)** Subject to the provisions of the Act, any shares may, with the sanction of a special resolution, be issued on terms that they are, or at the option of the Company are, liable to be redeemed on the terms and in the manner provided for by special resolution passed before the issue of such shares; and
- (v)** Subject to the provisions of the Act, the Company may purchase all or any of its shares of any class, including any redeemable shares.

- (vi) Upon any consolidation of fully paid shares into shares of larger amounts, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may:
- (i) as between the holders of shares to be consolidated, determine which particular shares are to be consolidated into each consolidated shares; and
 - (ii) in the case of any share registered in the name of one holder or joint holders being consolidated with shares registered in the name of another holder or joint holders, make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for such purpose may appoint some person to transfer the consolidated share to the purchaser and arrange either for the distribution among the persons entitled thereto of the net proceeds of such sale after deduction of expenses of sale or (when such net proceeds in respect of any holding do not exceed £3 or such greater sum as may be permitted from time to time by the London Stock Exchange) for the payment of such net proceeds to the Company.

The transferee shall not be bound to see to the application of the purchase monies nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

- (vii) Provided that the necessary unissued shares are available, the Board may alternatively, in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share, issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at its discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

(d) *Transfers of Shares*

- (i) In the case of certificated shares any member may, subject to the articles of association, transfer all or any of his shares by an instrument of transfer in the usual common form or in any manner (whether or not by written instrument) which the Directors may approve. Any written instrument of transfer of a share shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid by or on behalf of the transferee) and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the register of members of the Company in respect thereof.
- (ii) In the case of uncertificated shares and subject to the Companies Act but notwithstanding any other provision of the Articles of Association, a member is entitled to transfer his shares and other securities by means of a relevant system.
- (iii) The Directors may refuse to register the transfer of a share which is not fully paid, providing that any such refusal will not prevent dealings in the shares from taking place on an open and proper basis.

- (iv) The Directors may refuse to register any transfer in favour of a person known to be a minor, bankrupt or person who is mentally disordered or a patient for the purpose of any statute relating to mental health.
- (v) The Directors may decline to register any transfer of a certificated share unless any written instrument of transfer, duly stamped, is lodged with the Company, accompanied by the relevant certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, the instrument is in respect of only one class of share and, in the case of a transfer to joint holders the number of joint holders does not exceed four.
- (vi) The register of members may be closed by the Directors at such times and for such periods (not exceeding 30 days in any year) upon notice being given by advertisement in a leading national daily newspaper and in such other newspaper as may be required by the Act.

(e) *Section 212 of the Act*

Without limitation to the powers of the Directors under section 216 of the Act, where a member fails to comply with any notice (a “statutory notice”) given by the Directors under section 212 of the Act requiring such member or any other named person to give particulars of any interest in respect of shares in the Company, the Company may, no earlier than fourteen days after the service of the statutory notice, give the registered holder of such shares a notice (a “restriction notice”) stating or to the effect that, the shares in respect of which the default has occurred (“default shares”), are subject to certain sanctions for so long as the default continues. For a shareholding of less than 0.25% of the relevant class, the only sanction is that the member may be prohibited from attending and voting at meetings; for a shareholding of 0.25% or more of the relevant class, the articles of association also provide for the withholding of the payment of dividends (including shares issued in lieu of dividend) on the default shares; and, subject to those limitations approved by the London Stock Exchange, restrictions on the transfer of the default shares.

(f) *Directors*

- (i) Unless and until the Company in general meeting shall otherwise determine, the number of Directors shall not be less than two and there shall not be any maximum number.
- (ii) Subject to the Act and the articles of association, no Director or proposed or intending Director shall be disqualified by his office from entering into any contract or arrangement with the Company either with regard to his tenure of any office or employment or as a vendor, purchaser or otherwise. Nor shall any such contract be liable to be avoided. Nor shall any Director so contracting be liable to account to the Company for any remuneration, profit or other benefit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, but such Director shall declare the nature of his interest in accordance with the Act.

(g) *Restrictions on Voting by Directors*

Save as otherwise provided by the articles of association, a Director shall not vote nor be counted in the quorum on any resolution of the Directors concerning his own appointment as the holder of any office or place of profit with the Company. Save as otherwise provided by the articles of association a Director shall not vote on any resolution of the Directors concerning a matter in which he has directly or indirectly an interest or duty which is

material and which conflicts or may conflict with the interests of the Company unless his interest or duty only arises because the case falls within one or more of the following paragraphs:

- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any of its subsidiary undertakings, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;;
- (d) the resolution relates in any way to any proposal concerning a retirement, death or disability benefits scheme or a share option scheme, share incentive scheme or profit-sharing scheme which either relates to both employees and Directors and/ or directors of any subsidiary undertaking and does not provide to any Director as such any privilege or advantage not accorded to the employees to whom such scheme or fund relates or has been approved by or is conditional on approval by the Inland Revenue for tax purposes;
- (e) a contract, arrangement, transaction or proposal concerning any other body corporate in which he or any person connected with him is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise, if he and any persons connected with him do not to his knowledge hold an interest (as that term is used in sections 198 to 211 of the Act) representing one per cent. or more of either any class of the equity share capital of such body corporate (or any other body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
- (f) any proposal concerning an insurance which the Company is empowered to purchase and/or maintain for the benefit of and against any liability incurred by any Directors or persons who include the Directors.

(h) *Remuneration of Directors*

- (i) Each of the Directors may be paid a fee at such rate as the Directors may from time to time determine. The remuneration of Executive Directors is determined by the Board. The fees paid to Non-Executive Directors (excluding amounts payable under any other Article) shall not exceed £50,000 per annum or such larger amount as the Company may by ordinary resolution determine.
- (ii) Each Director may be paid his reasonable travelling, hotel and other expenses properly and reasonably incurred by him in attending and returning from meetings of the Directors or any committee of the Directors or meetings of shareholders or debenture holders of the Company or otherwise in connection with the business of the Company or the discharge of his duties as a Director. Any Director who, by

request, goes to reside abroad for any purposes of the Company or who performs services which in the opinion of the Directors go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profit or otherwise) as the Directors may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

(i) *Appointments to office*

Subject to the provisions of the Articles, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board.

The Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the Companies Acts, remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Without prejudice to the power of the Company in general meeting pursuant to any of the provisions of these Articles to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the earlier to occur of the close of the next following annual general meeting and someone being appointed in his place at that meeting. Such a Director shall be eligible for re-election at that meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at the meeting.

(j) *Retirement of Directors*

Save as may be otherwise resolved by the Company in general meeting convened on special notice a person shall not be appointed as a Director if, at the time when the appointment would take effect, he would have attained the age of 70. A Director shall vacate his office at the conclusion of the annual general meeting of the Company which next follows his attaining the age of 70; but acts done by a person as Director are valid notwithstanding that it is afterwards discovered that, by reason of this Article, he should not have been appointed or his appointment had terminated. No provision in these articles of association for the automatic reappointment of retiring Directors in default of the appointment of another applies to such a retiree.

(k) *Rotation of Directors*

(i) At every annual general meeting one-third of the Directors for the time being or, if their number is not a multiple of three, then the number nearest to and not exceeding one-third shall retire from office and each Director shall retire from office at least once every three years. If there is only one Director who is subject to retirement by rotation, he shall retire.

(ii) The Directors to retire on each occasion shall be those subject to retirement by rotation who have been longest in the office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall

be determined by composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identify of Directors after the date of such notice but before the close of the meeting.

- (iii) A Director who retires at the annual General Meeting shall be eligible for re-election. If he is not reappointed he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.
- (iv) Subject to the provisions of the articles of association, the Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by electing a person and in default the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost or such Director has given notice in writing to the Company that he is unwilling to be re-elected or such Director has attained any retiring age applicable to him as Director pursuant to the Companies Acts.

(l) *Borrowing Powers*

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge the whole or any part of its undertaking, property and uncalled capital, and to issue debentures and other securities. The Directors must ensure that the aggregate amount for the time being of all borrowings of the Company and its subsidiaries (other than owing by the Company and any of its subsidiary undertakings in respect of the intra group borrowings) shall not at the date of any such borrowings, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to four times the Adjusted Capital and Reserves (as defined by the Articles of Association).

(m) *Pensions, gratuities etc.*

The Directors may, subject to the provisions of the Act, exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director, provided that no pension, annuity or other allowance or benefit (except such as may be provided for by the articles of association) shall be granted to a Director or former Director who has not been an executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of such a Director or former Director without the approval of an ordinary resolution of the Company.

(n) *Dividends*

- (i) Subject to the provisions of the Act, the Directors may pay such interim dividend as they think fit.
- (ii) Subject to the Act, the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provides, all dividends shall be declared and paid according to the nominal amounts paid up on the shares (excluding any premium), but no amount paid up on a share in advance of calls shall be treated for this purpose as paid up on such share, and all dividends shall be apportioned and paid *pro rata* to the amounts paid up on the shares during any portion of the period in respect of which the dividend is paid.

(o) *Unclaimed dividends*

Any dividend unclaimed for a period of 12 years after it became due for payment shall be forfeited and shall revert to the Company.

(p) *Untraced shareholders*

(i) When the registered address of a member appears to be incorrect or out of date such member may, if the Directors so resolves, be treated as if he had no registered address and thereafter the Company is not obliged to send cheques, warrants, notices or accounts to that member. No such resolution shall be proposed unless cheques or warrants sent to the registered address of such member have been returned by the Post Office or left uncashed on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish any new address of such member.

(ii) If for a period of 12 years at least three dividends have become payable and not been cashed and no communication has been received from the member (or any person entitled to the member's shares by transmission), the Company may sell such shares at the best reasonably obtainable price if, after giving notice in a leading national newspaper and a newspaper circulating in the region of the member's registered address, it has not had any communication from the member (or anyone entitled to his shares or stock by transmission) within three months.

(q) *Return of Capital*

Save as otherwise provided in the articles of association and subject to the rights attached to any shares issued on any special terms and conditions, on return of assets on a winding up or otherwise the surplus assets of the Company after discharge of its liabilities shall belong to and be distributed amongst the holders of shares in proportion to the number of such shares held by them respectively after deducting in respect of any share not fully paid up the amount remaining unpaid thereon (whether or not then payable).

4 **Directors' shareholdings and other interests**

4.1 The interests of the Directors (all of which are beneficial) in the issued share capital of the Company as at the date of this document and immediately following completion of the Offer assuming full subscription under the Offer, such interests being those which are required to be notified by each Director to the Company under the provisions of section 324 or 328 of the Act or which are required to be entered in the register of interests required to be maintained pursuant to section 325 of the Act or which are interests of persons connected with the Directors within the meaning of section 346 of the Act, the existence of which is known or which could, with reasonable diligence, be ascertained by the Directors are, and will be, as follows:

<i>Director</i>	<i>Existing and Following Admission (assuming full subscription)</i>			
	<i>Existing</i>		<i>Following the Offer</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued ordinary share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued ordinary share capital</i>
Christopher Latilla-Campbell ¹	-	-	500,000	0.63%
Alan Mason	500,000	10%	500,000	0.63%
Jonathan de Thierry	-	-	500,000	0.63%

¹ Christopher Latilla-Campbell is also a potential beneficiary of a discretionary trust which controls Somers Investments. Details of Somers Investments' holdings are set out at paragraph 4.5 below.

- 4.2 Pursuant to the committed investor agreement described at 11.3 below, Christopher Latilla-Campbell will be interested in 10,750,000 Warrants to be granted to Somers Investments, a company controlled by a discretionary trust, of which Christopher Latilla-Campbell is a potential beneficiary, conditional on Admission taking place.
- 4.3 Pursuant to letter undertakings described at 11.5 below, Christopher Latilla-Campbell and Jonathan de Thierry will each be interested in 250,000 Warrants to be granted to them conditional on Admission taking place.
- 4.4 Christopher Latilla-Campbell, Alan Mason, Jonathan de Thierry and Somers Investments Limited have each undertaken to Loeb Aron & Co. that they will not (and will procure, insofar as they are able, that any person connected with them for the purposes of Section 346 of the Act will not) dispose of any interest in Ordinary Shares or Warrants held by them for a period of 12 months from the date of Admission.
- 4.5 At the date of this document and immediately following Admission, the Directors are not aware of any party (within the meaning of Part VI of the Act), other than disclosed in or set out in this paragraph 4, who, immediately following the Offer, will be interested, directly or indirectly, in 3% or more of the votes able to be cast at general meetings of the Company.

Existing and Following Admission (assuming full subscription)

	<i>Existing</i>		<i>Following the Offer</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued ordinary share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued ordinary share capital</i>
Somers Investments ¹	3,500,000	70%	14,250,000	19.00%

¹ Somers Investments is controlled by a discretionary trust, of which Christopher Latilla-Campbell is a potential beneficiary.

- 4.6 As at 21 June 2006 (being the last practicable date prior to publication of this document) the Company has granted the following options to the Directors under the Scheme:

<i>Director</i>	<i>No. of Ordinary Shares</i>	<i>Date of Grant of Options</i>	<i>Exercise Price (£)</i>	<i>Percentage of the Company's issued share capital on Admission¹</i>
Jonathan de Thierry	1,000,000	21 June 2006	2p	1.25%
Christopher Latilla-Campbell	1,000,000	21 June 2006	2p	1.25%
Alan Mason	1,000,000	21 June 2006	2p	1.25%
Shingayi Mutasa	1,000,000	21 June 2006	2p	1.25%

¹ Assuming full subscription

One third of these options are exercisable from the first anniversary of Admission, a third will be exercisable from the second anniversary of Admission and the final third will be exercisable from the third anniversary of Admission.

The Company has adopted an unapproved employee share option scheme (for the purposes of this paragraph referred to as the "Scheme"). Under the Scheme the Directors have the discretion to grant options to subscribe for Ordinary Shares up to a maximum of 10 per cent of the Company's issued share capital. Options can be granted to any employee of the Company. The option price is not to be less than the Offer Price. The options cannot be exercised for a period of one year from

the date of grant. In the event of any employee to whom options have been granted ceasing to be an employee of the Company he or she will have a set period in which to exercise those options (depending on the reasons for leaving) failing which the options will lapse.

- 4.7 Save as disclosed above, and in so far as the Company has the information, the Directors are not aware of anyone who either alone or, if connected, jointly following the completion of the Offer will (directly or indirectly) exercise or could exercise control over the Company.

5 Additional Information on the Directors

The directorships of the Directors currently held and held over the 5 years preceding the date of this document (other than of the Company) are as follows:

<i>Director</i>	<i>Current directorships</i>	<i>Past directorships</i>
Jonathan de Thierry	Platmin Congo Limited Saminco Resources Ltd (Seychelles) Kasai Mining and Exploration Ltd (BVI) Diaminca Ltd (BVI)	
Christopher Latilla-Campbell	London Finance and Investment Corporation Limited Afpenn Lupane Limited Afpenn Lupane Developments (Pvt) Limited Afpenn Resources Limited Afpenn Tuli Limited Afpenn Chirdezi Limited Industrial & Commercial Holdings Plc Marlands Estates Limited C ² Limited Starmer Limited	Fullers Investments Ltd. Monteagle Holdings SA
Alan Mason	Afpenn Lupane Developments (Pvt) Limited	None
Shingayi Mutasa	TA Holdings Limited Zimnat Lion Insurance Company Limited Zimnat Life Assurance Company Limited AON Zimbabwe (Pvt) Ltd Sable Chemical Industries Limited Cresta Hospitality Holdings Ltd Botswana Insurance Company Ltd Grand Reinsurance Company Ltd Joina Development Company Ltd FMI Holdings Ltd	Binga Guru (Pvt) Limited

Save as disclosed in this Admission Document, none of the Directors have any unspent convictions, have been declared bankrupt or have been the subject of an individual voluntary arrangement. None of the Directors were directors of any company at the time of, or within the 12 months preceding, its bankruptcy, receivership, administration, liquidation company voluntary arrangement or composition or arrangement with its creditors generally. There have been no public criticisms of any of the Directors by any statutory or regulatory authority and no Director has ever been

disqualified by a Court from acting as a Director of a Company or from acting in the management or conduct of the affairs of any company. No Director was partner in any partnership at the time or within 12 months preceding its compulsory liquidation, dissolution, administration or partnership or voluntary arrangement. None of the Directors has been contacted by the Department of Trade and Industry in connection with their conduct with respect to any of the companies set out above.

6 Directors' Letters of Appointment and Emoluments

6.1 Each of the Non-executive Directors has entered into a letter of appointment each dated 21 June 2006 with the Company conditional on Admission as follows:

(a) *Position*

Each will act as Non-executive Director of the Company and Jonathan de Thierry will be Non-executive Chairman.

(b) *Remuneration*

Each Non-executive Director will receive an annual fee of £6,000 payable in equal quarterly installments in arrears following the date of commencement of the appointment.

(c) *Term*

Each letter of appointment will be for an initial period of 12 months effective from Admission and terminable thereafter by either party giving three months notice in writing.

6.2 Each of the Executive Directors has entered into a service agreement each dated 21 June 2006 with the Company conditional on Admission as follows:

(a) *Position*

Each will act as Executive Director of the Company and Christopher Latilla-Campbell will be Managing Director. Each Executive Director will have the primary function of seeking and progressing potential acquisitions and investments as described in Part I.

(b) *Remuneration and Time Commitment*

Each Executive Director will receive an annual fee of £7,500 payable in equal quarterly installments in arrears following the date of commencement of the appointment. Each Executive Director has elected to apply such fees in subscription for Ordinary Shares such shares to be valued at the average of the mid market closing price quoted by Ofex on the ten days prior to the end of the quarter for which the salary is due (subject to a minimum price of 2p per share) until the Company has made an acquisition or an investment in accordance with its investment strategy as set out in Part I of this document. The Directors may not deal in any securities issued by the company during said ten day period. The Directors believe that the affairs of the Company will take no more than 3 days per month for the Executive Directors; this and any additional time will be billed to the Company at a rate of £350 per day. Payment for such excess hours is payable in cash or may be applied in subscription for shares at the option of the director by advising the company in writing.

(c) *Term*

Each letter of appointment will be for an initial period of 12 months effective from Admission and terminable thereafter by either party giving three months notice in writing.

6.3 Save as referred to above, there are no service agreements or letters of appointment in existence between any of the Directors and the Company which cannot be determined by the Company without payment of compensation (other than statutory compensation) within one year and there have been no changes to the Directors' letters of appointment in the last six months.

- 6.4 It is estimated that the aggregate remuneration of the Directors (including benefits in kind and pension contributions) for the current financial period being from the date of incorporation of the Company to 28 February 2007 will be £39,400 of which approximately half will be elected by the Executive Directors to be used in subscribing for additional Ordinary Shares.
- 6.5 Save as set out above, there are no existing or proposed service agreements between any of the Directors and the Company.

7 United Kingdom Taxation

The statements below are intended only as a general guide to the United Kingdom tax position as at the date of this document for United Kingdom residents beneficially entitled to their Ordinary Shares held as investments and is based on current legislation and practice. It may not apply to certain classes of shareholders such as dealers in securities. Investors are advised to consult their own tax advisers. This summary is not exhaustive and does not generally consider tax reliefs or exemptions.

7.1 *Reliefs available for Ofex securities*

As unquoted securities for tax purposes, various reliefs may be available for Ofex securities, including inheritance tax business property relief (Chapter 1 of Part V of the Inheritance Tax Act 1984). The precise details of reliefs are not within the scope of this summary, however any person who is in any doubt as to his taxation position should consult an appropriate professional adviser without delay.

7.2 *Taxation of Capital Gains*

An individual shareholder who is either resident or ordinarily resident in the United Kingdom (whether or not domiciled there), may be liable to capital gains tax on any disposal of his shares in the Company.

A United Kingdom resident corporate shareholder may be liable to corporation tax on chargeable gains on any disposal of its shares in the Company.

A shareholder who is not resident (nor, in the case of an individual, ordinarily resident) in the United Kingdom, will not normally be liable to United Kingdom tax on capital gains on any disposal of shares in the Company unless the shareholder carries on a trade, profession or vocation in the United Kingdom through a branch or agency, and the shares are, or have been used, held or acquired for the purpose of such trade, profession or vocation, branch or agency.

7.3 *Taxation of income*

Individual shareholders who are resident in the United Kingdom for tax purposes will be liable to income tax on the aggregate of the dividend received and the tax credit ("the gross dividend"). The value of the tax credit attached to dividends paid by the Company in future for individual shareholders will be one ninth of any dividend paid and will be available to set against their income tax liability. Lower and basic rate taxpayers will have no further liability to tax on their dividend. Higher rate taxpayers will be liable to tax on all or part of the sum of the dividend plus the tax credit at the higher rate of 32.5 per cent. against which liability they can offset the tax credit. No part of the tax credit is repayable.

A United Kingdom resident corporate shareholder will normally not be liable to United Kingdom corporation tax on any dividend received. No part of the tax credit will be available for set off against losses. No claim for repayment of a tax credit can be made in relation to a dividend paid to a pension fund or venture capital trust. Special transitional rules apply to charities. Shareholders who are not resident in the United Kingdom may be subject to foreign taxation

in respect of the dividend received from the Company under the laws of their own country of residence. Such shareholders should consult their own tax advisers concerning their tax liabilities, both in the United Kingdom and their country of residence, on whether they can benefit from all or any part of any tax credit and whether a relief or credit may be claimed in the jurisdiction in which they are resident.

7.4 Stamp Duty and Stamp Duty Reserve Tax

Except in relation to depository receipt arrangements and clearance services where special rules apply, under current law, no stamp duty or SDRT will be payable on the issue of shares.

The above is a general summary of certain tax matters and should not be considered as constituting advice. Any person who is in any doubt as to his taxation position, or is subject to taxation in a jurisdiction other than the United Kingdom, should consult an appropriate professional adviser without delay.

8 Working Capital

The Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Company will be sufficient for the period of at least 12 months from Admission.

9 Minimum Subscription

In the opinion of the Directors, the minimum amount which must be raised from the Offer is £455,000 made up as follows:

Purchase price of property	Nil
Expenses of the Offer and commission	£61,815
Repayment of borrowings	Nil
Working capital	£393,185

10 Litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, there is no litigation or claim pending or threatened against the Company or any of its subsidiaries.

11 Material Contracts

The following material contracts, not being a contract entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

11.1 Pursuant to a letter dated 21 January 2006 (as amended by a letter dated 19 May 2006) the Directors appointed Loeb Aron & Co. as corporate adviser. The Company has agreed to pay Loeb Aron & Co. a commission of 5 per cent of funds raised through them pursuant to the Offer, has agreed to grant Loeb Aron & Co. 2,500,000 Warrants and has agreed to pay Loeb Aron & Co. an admission arrangement fee of £15,000 contingent upon admission. The Company has also agreed to pay Loeb Aron & Co. an annual corporate advisory fee of £6,000 plus VAT and disbursements.

11.2 Pursuant to a warrant instrument dated 21 June 2006, the Company constituted 40,000,000 Warrants and 40,000,000 Additional Warrants. Each Warrant entitles the holder to subscribe for one Ordinary Share at a subscription price of 3p per share. The Warrants are exercisable from the date of Admission to the fifth anniversary of the date of Admission. If a Warrant is exercised in the first two years following Admission, the person exercising the Warrant will be granted an

Additional Warrant for each Warrant exercised in that period. Each Additional Warrant will entitle the holder to subscribe for an Ordinary Share at a price of 4p per share. The Additional Warrants will be exercisable from the date of grant to the fifth anniversary of the date of Admission. It is intended that an application be made for the Warrants (but not the Additional Warrants) to be admitted to trading on Ofex. The Warrants are to be issued to Committed Investors as set out in paragraphs 11.1 and 11.3 to 11.5.

- 11.3** Pursuant to a committed investor agreement dated 21 June 2006, Somers Investments (a company owned by a discretionary trust of which Christopher Latilla-Campbell is a potential beneficiary) has agreed to subscribe for 10,750,000 Offer Shares under the Offer (equal to a subscription of £215,000). In recognition of this commitment, Somers Investments will be granted 10,750,000 Warrants.
- 11.4** Pursuant to a committed investor agreement dated 21 June 2006, as amended by an amendment agreement dated 30 June 2006 Loeb Aron & Co. has agreed to subscribe for (or procure subscribers for) 20,000,000 Offer Shares under the Offer (equal to a subscription of £400,000). Loeb Aron & Co. may offset the number of Offer Shares it is to subscribe for against the number of Offer Shares for which it procures subscribers. In recognition of this commitment, Loeb Aron & Co. will be granted 20,000,000 Warrants to be reduced by the number of Warrants to be granted to the Committed Investors set out in paragraph 11.5 below.
- 11.5** Pursuant to letters of undertaking received by Loeb Aron & Co., the persons set out on the table below have undertaken to subscribe under the Offer for the number of Ordinary Shares shown against their names in the table below. In recognition of the commitment, these persons will be granted a number of Warrants as set out below:

<i>Name of Committed Investor</i>	<i>Number of Ordinary Shares to be subscribed for under the Offer</i>	<i>Number of Warrants to be granted</i>
RAB Special Situations (Master) Fund Limited	7,500,000	7,500,000
Global Asset Products AG	1,500,000	1,125,000
Garry Southern ¹	1,000,000	750,000
Minevco Ltd.	1,000,000	750,000
Aggra Performance Ltd	800,000	600,000
Registered Offices Limited	600,000	300,000
Anthony Balme	500,000	250,000
AXINO AG	500,000	250,000
Christopher Latilla-Campbell ²	500,000	250,000
Eastbound Resources Ltd	500,000	250,000
Green Dragon Nominees Pty Ltd	500,000	250,000
Jocelyn S de Waller	500,000	250,000
John Trevor Spurgeon	500,000	250,000
Jonathan de Thierry ³	500,000	250,000
Lambertus de Boer	500,000	250,000
Lucky Villa Holdings Ltd	500,000	250,000
Otto R Snel	500,000	250,000
Philip Haydn-Slater	500,000	250,000
Puffin Holdings Ltd	500,000	250,000
Trans Mediterranean Estates Ltd	375,000	187,500
Total	19,275,000	14,462,500

¹ Garry Southern is the non-executive Chairman of Loeb Aron & Co.

² Christopher Latilla- Campbell is the Managing Director of the Company. The shares held in his own name

will be in addition to the interest and investment of Somers Investments.

³ Jonathan de Thierry is the Chairman of the Company.

11.6 Pursuant to a letter undertaking dated 30 June 2006, the Company has undertaken to Loeb Aron & Co. not to issue any additional Ordinary Shares at a price of less than 2p per share for a period of twelve months from the date of Admission without the prior consent of a majority of the holders of Ordinary Shares.

12 General

12.1 The auditors of the Company are Edwards Veeder of Brunswick Square, Union Street, Oldham OL1 1DE .

12.2 The financial information contained in this document does not amount to full accounts within the meaning of the Act.

12.3 The expenses of or incidental to the Offer payable by the Company are estimated to amount to £140,000 (excluding VAT), including commission of £66,400 assuming full subscription.

12.4 Edwards Veeder has given and not withdrawn its written consent to the inclusion of references to the firm herein in the form and context in which they appear and to the inclusion of its reports and letters in the document and have not become aware, since the date of such reports, of any matter affecting the validity of its reports at that date.

12.5 Loeb Aron & Co. has given and not withdrawn its written consent to the issue of this document with its name included in it and references to it in the form and context in which they appear.

12.6 The Company's accounting reference date is 28 February.

12.7 The Company will be a close company (as defined in the Income and Corporation Taxes Act 1988) immediately following the Offer assuming maximum subscription and that the over-allotment option is not exercised.

12.8 The nominal value of each Ordinary Share is 0.5 pence and they are being offered at 2 pence per Ordinary Share, giving a premium of 1.5 pence per Ordinary Share.

12.9 Other than the current application for admission of Ordinary Shares and the Warrants to trading on Ofex, neither the Ordinary Shares nor the Warrants have been admitted to dealings on any recognised investment exchange nor has any application for such admission been made, nor are there intended to be, any other arrangements for there to be dealings in the Ordinary Shares or the Warrants.

12.10 This document has been prepared in accordance with current UK tax legislation, practice and concession and interpretation thereof. Such legislation and practice may change and the current interpretation may therefore no longer apply.

12.11 Save for remuneration received in respect of services rendered to the Company, no payment or other benefits have been paid or given or are now proposed to be paid or given to any promoter. The Directors are the promoters of the Company.

12.12 Save as disclosed in this document the Directors are not aware of any exceptional factors that have influenced the Company's activities.

12.13 Save as described in this document, there are no patents or intellectual property rights, licences or

particular contracts that are or may be of fundamental importance to the Company's business.

12.14 At the date of this document the Company has no intention to make any new principal investments save as set out herein.

12.15 Except as disclosed in this document and for the advisers named on page 3, no person has received, directly or indirectly, from the Company during the 12 months preceding the date of this document or has entered into a contractual arrangement to receive, directly or indirectly, from the Company on or after the start of trading on Ofex, fees totaling £10,000 or more or securities in the Company with a value of £10,000 or more calculated by reference to the Offer Price or any other benefit to the value of £10,000 or more.

13 Documents Available for Inspection

13.1 Copies of the following documents will be available for inspection at the offices of Edwin Coe at 2 Stone Buildings, Lincoln's Inn, London, WC2A 3TH during normal business hours on any week-day (Saturdays, Sundays and public holidays excepted) until the Offer is closed.

- (a) Memorandum and Articles of Association of the Company.
- (b) The Letters of Engagement referred to in paragraph 6 above.
- (c) The Material Contracts referred to paragraph 11 above.
- (d) The written consents referred to in sub-paragraphs 12.4 and 12.5 above.
- (e) The Report by Edwards Veeder set out in Part III of this document.

14 Availability of Document

Copies of this document will be available free of charge from the offices of Loeb Aron & Co. at 63 Coleman Street, London EC2R 5BB during normal business hours on any week day (Saturdays, Sundays and public holidays excepted) and will remain available for at least one month after the date of Admission.

30 June 2006

PART V

TERMS AND CONDITIONS AND PROCEDURE FOR APPLICATION

1. Applications for Offer Shares are subject to the terms and conditions included in the Application Form and set out below.
2. The basis of allotment will be determined by the Directors and Loeb Aron & Co. in their absolute discretion. Dealings prior to the issue of share certificates will be at the risk of applicants. A person so dealing must recognise the risk that an application may not have been accepted to the extent anticipated or at all. The Directors and Loeb Aron & Co. reserve the right:
 - (i) to reject any application in whole or in part or to scale down any applications or to accept applications on a “first come first served” basis;
 - (ii) to extend the period during which the subscription list remains open; and
 - (iii) to treat any application as valid and binding on an applicant even if the Application Form is not complete in all respects or is not accompanied by a power of attorney where required.
3. The Application Form should be completed in full and sent or delivered to the address set out on the Application Form together with a remittance for the full amount payable. Cheques and banker’s drafts must be payable to Computershare Investor Services plc, account ZimNRG plc and crossed “Not negotiable” and should be drawn in sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank which is either a settlement member of the Cheque and Clearing Company Limited or the CHAPS & Town Clearing Company Limited or a member of either of the committees of the Scottish or Belfast Clearing Houses which has arranged for its cheques and bankers’ drafts to be cleared through the facilities provided by either of those companies or those committees (and must bear the appropriate sorting code number in the top right hand corner). Applications must be for a minimum of 100,000 Offer Shares and thereafter in multiples of 25,000 Offer Shares. The issue price of the Offer Shares is 2p per share and applications must therefore be for a minimum of 100,000 Offer Shares at an aggregate price of £2,000 and thereafter in multiples of £500 for each additional tranche of 25,000 Offer Shares applied for (or such smaller number for which the application may be accepted). Applicants are advised to allow two full business days for delivery through the post and to use first class mail. Applications will not be acknowledged.
4. The right is reserved to present all cheques and banker’s drafts on receipt and to retain certificates for new ordinary shares and any monies returnable pending the clearance of all cheques or pending investigations of any suspected breach of the terms applying to the application. All cheques, certificates and other documents sent or returned to applicants will be sent at the risk of the person(s) entitled thereto.
5. Cheques will be presented by Computershare Investor Services plc for payment on receipt into an interest bearing collection account with Barclays Bank plc. If Computershare Investor Services plc has not received £455,000 (being the minimum amount) by 3.00pm on 31 July 2006 or such later date as the Board may resolve, the Offer will lapse and all monies will be refunded to applicants within seven days thereafter without interest by crossed cheque through the post at the risk of the applicant. Any interest accruing thereon will accrue to the Company. Monies may be transferred to the Company as the Directors and Loeb Aron & Co. may determine against allotment and issue of Offer Shares. If any application is not accepted, the amount paid on application will be returned without interest in each case sent through the post at the applicant’s risk.

6. By completing and delivering an Application Form, you irrevocably undertake as follows:
- (i) to subscribe for such number of shares specified in the Application Form (or such lesser number as is accepted), on the terms of, and subject to, the conditions set out in this document, including these terms and conditions and subject to the Memorandum and Articles of Association of the Company;
 - (ii) to accept such new Ordinary Shares as may be allotted to you in accordance with Box 1 of the Application Form or such lesser number (being not less than £1,500 sterling in value) of Offer Shares in respect of which this application may be accepted;
 - (iii) that all applications, acceptances, allotments and contracts arising from it will be governed by and construed in accordance with English law;
 - (iv) that you are not under the age of 18 and that if you sign the Application Form on behalf of somebody else or a corporation you have the authority to do so and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions of application;
 - (v) you authorise the Company or any of its respective agents to send by post a share certificate for the number of Offer Shares for which your application is accepted and/or a crossed cheque and/or return your cheque(s) or banker's draft(s) for any moneys returnable, in each case at the risk of the person(s) entitled thereto, to your address (or that of the first named applicant) as set out in the Application Form and to procure that your name (together with the name(s) of any other joint applicant(s)) is/are placed on the Register of Members of the Company in respect of such Ordinary Shares;
 - (vi) that you are not relying on any information or representation other than those contained in this document and accordingly you agree that neither the Company nor any person responsible solely or jointly for this Admission Document or any part thereof shall have any liability for any such other information or representation;
 - (vii) that the cheque or banker's draft accompanying your Application Form will be honoured on first presentation and you agree that if it is not so honoured the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the relevant Offer Shares and may allot or sell them to some other person in which case you will not be entitled to any refund or payment in respect thereof; and
 - (viii) that you have read and complied with paragraph 7 below.
7. Applications will not be accepted from persons resident in the United States of America, Canada or Australia and by completing and returning the Application Form the applicant warrants that he is not a person so resident. No person receiving a copy of this Admission Document and/or an Application Form in any other territory (other than the United Kingdom) may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form, unless in the relevant territory such an invitation or offer could lawfully be made to him and such Application Form could lawfully be used without contravention of any regulation or other legal requirements. It is a condition of any application by any such person outside the United Kingdom that he has satisfied himself as to the full observance of the laws of any relevant territory, including the obtaining of any governmental or other consents which may be required and has observed any other formalities in such territory and paid any issue, transfer or other taxes due in such territory. The Company reserves the right to request applicants to produce evidence satisfactory to them of their right to apply for Offer Shares under the Offer and that such application would not result in the Company, its advisors or the Directors being in breach of any laws or regulations of the relevant jurisdiction.
8. The Company reserves the right to treat any application, which does not comply strictly with the terms and conditions of the application as nevertheless valid.

9. No letters of allotment or other renounceable or temporary documents of title or receipts will be issued in respect of accepted applications but share certificates will be despatched within 28 days of allotment.
10. Applications will be irrevocable.
11. If the value of your application is £10,000 or more (or is one of a series of linked applications the aggregate value of which equals or exceeds that amount), the verification of identity requirements of the Money Laundering Regulations 1993 will apply and verification of the identity of the applicant(s) may be required. A failure to provide the necessary evidence of identity may result in the rejection of your application or in delays in the despatch of a share certificate or the return of the application monies. In order to avoid this, you should ideally make payment by means of a cheque drawn by the person named in Box 3 of the Application Form. If this is not practicable and you use a cheque drawn by a third party or a building society cheque or a bankers' draft, you should:
- (i) write the name and address of the person named in Box 3 of the Application Form on the back of the cheque, building society cheque or banker's draft;
 - (ii) if a building society cheque or banker's draft is used, ask the building society to endorse on the cheque or banker's draft the name and account number of the person whose building society or bank account is being debited. The bank or building society endorsement should be overlaid with the branch stamp; and
 - (iii) if you are making the application as agent for one or more persons, indicate in the bottom of the Application Form whether you are a UK or EC regulated person or institution (e.g. a bank or broker) and specify your status. If you are not a UK or EC regulated person or institution, you should contact Loeb Aron & Co. and seek guidance.

If within a reasonable period of time following a request for verification of identity, Loeb Aron & Co. has not received satisfactory evidence, then Loeb Aron & Co. acting for the Company may at its absolute discretion reject your application in which event the application monies will be returned without interest to the account at the drawee bank from which such monies emanate.

12. The receiving agents in relation to the Offer are Computershare Investor Services plc.
13. Any applicant requiring assistance in completing the Application Form should telephone Loeb Aron & Co. on 020 7628 1128 or fax them on 020 7638 0756.

HOW TO APPLY

1. **Ensure you have read this document carefully.**
2. **Complete the application form overleaf, ensuring you:**
 - Enter the number of shares you are applying for: minimum investment £2,000 (100,000 shares at 2p)
 - Enter the amount of your cheque (number of shares x 2 pence)
 - Complete the applicant details on the second page
 - Sign and date the form
 - Make your cheque payable to:

“Computershare Investor Services plc - a/c ZimNRG”

- Sign and date the form.
3. **Send the completed application form to**

**Computershare Investor Services Plc
PO Box 82
The Pavilions
Bristol
BS99 7NH**

Together with:

- **Your cheque; and**
- **If your subscription exceeds £10,000, two different original forms of identification if required (see note below)**

Examples of numbers of shares acquired for different levels of investment

Investment £	Ordinary shares acquired at 2p
£2,000	100,000
£3,000	150,000
£4,000	200,000
£5,000	250,000
£8,000	400,000
£10,000	500,000
£15,000	750,000

Note:

If the value of your application is more than £10,000 (15,000 Euro) you will need to send two different original forms of identification to Computershare Investor Services with your application form. These should be less than six months old and confirm your name and permanent residential address, typically a bank statement and utility bill will suffice. Please note that original forms of identification will be returned to you within 7 days of receipt.



ZimNRG PLC

(Incorporated in England with Registered Number 05714562)

Issue of up to 75,000,000 Ordinary Shares of 0.5p each at 2p per share payable in full on application

Application Form

This Application Form should be completed and sent to Computershare Investor Services plc together with your cheque or banker's draft payable to "Computershare Investor Services plc - a/c ZimNRG" and crossed "Not Negotiable" for the amount payable (inserted in Box 2) so as to arrive as soon as possible. The subscription list will open at 10.00 am on 3 July 2006 and may be closed at any time thereafter and in any event by 3.00 pm on 31 July 2006 (unless extended by the Directors).

IMPORTANT – Before completing this Application Form you should carefully read the Terms and Conditions and Procedure for Application set out in Part V of the Admission Document dated 30 June 2006 (the "Admission Document"). If you need further copies of the Admission Document, which includes an Application Form, please call **Loeb Aron & Company Ltd on 020 7628 1128**.

Definitions used in the Admission Document shall have the same meaning in this Application Form. This Application Form is only made available with and as an enclosure to the Admission Document. The entire contents of the section in the Admission Document headed "Terms and Conditions and Procedures for Application" is deemed to be included and set out in this Application Form.

Any person signing this Application Form under power of attorney must enclose the original power of attorney (or a copy certified by a solicitor) for inspection. If you post your Application Form, you are recommended to use first class post and allow at least two working days for delivery.

Box 1	I hereby irrevocably offer to subscribe for	Offer Shares at 2p each
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in ZimNRG plc on the terms and conditions set out in the Admission Document and subject to the Memorandum and Articles of Association of the Company or any smaller number of Ordinary Shares for which this application is accepted.

Note: Applications must be for a minimum of 100,000 shares at a subscription price of 2p per share and thereafter in multiples of 25,000 shares at 2p per share. Please use block capitals.

Box 2	I attach a cheque or banker's draft payable to Computershare Investor Services plc account ZimNRG, for the total amount of (multiply the number of shares applied for by 2p sterling)	£
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Box 3 Please use block capitals	Forename/s (in full)	
	Surname (Mr / Mrs / Miss or title)	
	Address (in full)	
	Postcode	
	Email address	Daytime Telephone Number
	Signature	Date



The first or sole applicant should sign and complete Box 3. Fill in Boxes 4 and 5 only if there is more than one applicant. Insert in Box 4 the names and addresses of the further joint applicants, each of whose signature is required in Box 5.

PLEASE USE BLOCK CAPITALS

Box 4	Forename(s) in full	Forename(s) in full	Forename(s) in full
	Surname	Surname	Surname
	Mr, Mrs, Ms., Miss or title	Mr, Mrs, Ms., Miss or title	Mr, Mrs, Ms, Miss or title
	Address (in full)	Address (in full)	Address (in full)
	Postcode	Postcode	Postcode

Box 5	Signature	Signature	Signature
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I/We authorise /I /We do not authorise (delete whichever is inapplicable) the Company or its advisers to contact me by telephone in connection with any queries arising on my application.

Please make cheques payable to ‘Computershare Investor Services plc account ZimNRG’.

If you have any queries relating to the completion of this Application Form, please telephone Loeb Aron & Co. on 020 7628 1128.



ZimNRG PLC

(Incorporated in England with Registered Number 05714562)

Issue of up to 75,000,000 Ordinary Shares of 0.5p each at 2p per share payable in full on application

Application Form (spare copy)

This Application Form should be completed and sent to Computershare Investor Services plc together with your cheque or banker's draft payable to "Computershare Investor Services plc - a/c ZimNRG" and crossed "Not Negotiable" for the amount payable (inserted in Box 2) so as to arrive as soon as possible. The subscription list will open at 10.00 am on 3 July 2006 and may be closed at any time thereafter and in any event by 3.00 pm on 31 July 2006 (unless extended by the Directors).

IMPORTANT – Before completing this Application Form you should carefully read the Terms and Conditions and Procedure for Application set out in Part V of the Admission Document dated 30 June 2006 (the "Admission Document"). If you need further copies of the Admission Document, which includes an Application Form, please call **Loeb Aron & Company Ltd on 020 7628 1128**.

Definitions used in the Admission Document shall have the same meaning in this Application Form. This Application Form is only made available with and as an enclosure to the Admission Document. The entire contents of the section in the Admission Document headed "Terms and Conditions and Procedures for Application" is deemed to be included and set out in this Application Form.

Any person signing this Application Form under power of attorney must enclose the original power of attorney (or a copy certified by a solicitor) for inspection. If you post your Application Form, you are recommended to use first class post and allow at least two working days for delivery.

Box 1	I hereby irrevocably offer to subscribe for	Offer Shares at 2p each
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in ZimNRG plc on the terms and conditions set out in the Admission Document and subject to the Memorandum and Articles of Association of the Company or any smaller number of Ordinary Shares for which this application is accepted.

Note: Applications must be for a minimum of 100,000 shares at a subscription price of 2p per share and thereafter in multiples of 25,000 shares at 2p per share. Please use block capitals.

Box 2	I attach a cheque or banker's draft payable to Computershare Investor Services plc account ZimNRG, for the total amount of (multiply the number of shares applied for by 2p sterling)	£
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Box 3 Please use block capitals	Forename/s (in full)	
	Surname (Mr / Mrs / Miss or title)	
	Address (in full)	
	Postcode	
	Email address	Daytime Telephone Number
	Signature	Date



The first or sole applicant should sign and complete Box 3. Fill in Boxes 4 and 5 only if there is more than one applicant. Insert in Box 4 the names and addresses of the further joint applicants, each of whose signature is required in Box 5.

PLEASE USE BLOCK CAPITALS

Box 4	Forename(s) in full	Forename(s) in full	Forename(s) in full
	Surname	Surname	Surname
	Mr, Mrs, Ms., Miss or title	Mr, Mrs, Ms., Miss or title	Mr, Mrs, Ms, Miss or title
	Address (in full)	Address (in full)	Address (in full)
	Postcode	Postcode	Postcode

Box 5	Signature	Signature	Signature
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