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

Interim Results for the six months ended 30 June 2008

ZincOx Resources plc (AIM Ticker: ZOX) today announces its results for the six months ended 30 June 2008. ZincOx specializes in the technology to recover zinc from various unconventional feed materials including non-sulphide ore deposits and waste materials (Electric Arc Furnace Dust “EAFD”). The Company is developing a waste recycling plant to recover zinc and iron in Ohio and a zinc mine at Jabali, in Yemen. It is also entitled to ongoing zinc price related payments from a zinc deposit in Kazakhstan.

Highlights

- Jabali Mine - financing completed
  - development underway
- Ohio Recycling Plant - financing completed
  - development underway
- Strategic Alliance Agreement for waste treatment technology
- N M Rothschild appointed as financial adviser
- Board strengthened by appointment of new directors

Commenting on the interim results, Andrew Woollett, Chairman said,
“During the first six months of this year, in increasingly difficult zinc and capital markets, we completed the financing of our two major projects, the Jabali Mine in Yemen and the Ohio Recycling Project in the USA. Even at today’s zinc price, the projects should result in positive cash flow to the Company within 18 months.”

ZincOx Resources Andrew Woollett, Executive Chairman	+44 (0)1276 450100
Numis Securities Limited John Harrison (Nominated Adviser) James Black (Corporate Broker)	+44 (0)20 7260 1000
Conduit PR Charlie Geller/Ben Way	+44 (0)20 7429 6666

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

ZincOx Resources Plc
("ZincOx", "the Company" or "the Group")

Chairman's Statement

Recycling
The development of the Ohio Recycling Project ("ORP") is fully funded as a result of two issues of new equity, receipts from Shaimerden and the arrangement of a short term bond. The latter is essentially a short term debt facility that has yet to be drawn down. It is the intention to replace this with a more conventional and a much less expensive project finance package before the facility is required.

We have selected Midrex Technologies Inc, as the process technology provider and supplier of the rotary hearth furnace, one of the key pieces of equipment for the ORP. Midrex is among the world's most respected suppliers of Direct Reduction Plants for making steel and is a wholly owned subsidiary of Kobe Steel, Ltd. of Japan. Midrex will be providing a full process guarantee under their FASTMET® Technology for the operation of the rotary hearth furnace as well as providing operator training and technical support on an ongoing basis.

A small pilot plant has recently been built in Belgium in which we have tested composite representative samples from the steel mills that will be supplying the ORP. This plant has produced samples of our zinc product that can be used for test marketing purposes. As part of the ORP, the zinc product will be upgraded by washing it at our Big River Zinc smelter, to reduce the level of halides and other impurities that are harmful to conventional zinc smelters. Considerable progress has also been made with our washing technology and we have recently demonstrated that the washed product should now be a premium quality high grade feed for smelters, thereby enhancing our previous revenue expectations. This also gives us a greatly expanded market for our product.

As we move forward with the development of the project there is more certainty for the costs, revenues and schedule. This, together with the guarantees provided by suppliers such as Midrex with support from Kobe Steel, creates a project package that will be very attractive to lenders and makes us increasingly confident that we will be able to secure conventional project finance. Discussion regarding project finance and due diligence is well advanced.

In addition to the supply of process technology and equipment for the ORP, we have also entered into an important strategic Alliance Agreement with Midrex and Kobe Steel. Under this agreement we will work collaboratively together on process refinements as well as the development of other projects in target regions. The Alliance Agreement commits ZincOx to using Midrex/Kobe's FASTMET® Technology for future rotary hearth furnace-based EAFD treatment plants. At the same time, ZincOx will have exclusive access to this technology in the USA, Canada, Mexico, Korea, Thailand, Malaysia and Turkey, provided ZincOx continues to order FASTMET® Plants. This agreement greatly enhances and protects ZincOx's market position and will have far reaching consequences for the Company's strategy to roll out the ORP concept around the world.

The Alliance Agreement is a critical building block for the Ohio Recycling Project and our global recycling strategy. It was essential to have this agreement in place before committing to use Midrex and Kobe Steel for the ORP so that we are better able to protect our technological advantage. Consequently we committed considerable time to detailed and complex negotiations. Unfortunately, the length of these negotiations has led to a slight delay in entering into an equipment supply agreement with Midrex and Kobe Steel. We are now advising the market that the completion of the ORP is rescheduled for the first half of 2010. However, we believe this to be a small price to pay for the considerable advantage that this exclusive agreement represents.

We continue to pursue our strategy to replicate the ORP concept elsewhere in the world. In Thailand the environmental permit for the rotary hearth furnace has been obtained and the second phase of the environmental permitting, for the melting furnace, is now underway. During the summer, the Company entered into a very significant memorandum of understanding (MOU) with the Korean Iron and Steel Association, KOSA. Under the MOU, KOSA will provide assistance and coordination with

Korean steel mills with the objective of obtaining long term EAFD supply agreements. In Turkey we have been frustrated by the uncertainty of land use zoning within the industrial estate where our project site is located. This has been created by indecision at the local government level. While we believe this will be satisfactorily resolved, the timing remains uncertain. In the meantime, and in light of the very poor market conditions, we are engaging in discussions with potential joint venture partners for this project so that we will be in a position to advance it as soon as the zoning issues are resolved.

Refining

Big River Zinc smelter (Illinois) is a 100,000 tonnes per annum electrolytic zinc refinery. The site, where appropriate permits are already in place, is being prepared for a new washing plant. This facility will upgrade the zinc concentrate ("HZO") produced from the ORP and other recycling projects in order to create a saleable concentrate. Indeed the plant has recently begun to upgrade small amounts of zinc bearing materials by washing for third parties on a toll basis in its existing small washing plant.

As mentioned above, the ORP's product can be washed in a way that significantly increases the chemical quality of the product. It will now be possible, therefore, to recover zinc at Big River without the requirement for solvent extraction thereby giving significant capital cost savings. Various options for the restart of the refinery are being considered including the use of HZO together with conventional zinc sulphide concentrate purchased on the open market. This approach would enable the refinery to be restarted without the development of a second EAFD treatment operation and which could, therefore, significantly accelerate Big River's redevelopment.

Mining

The Shaimerden open pit, in Kazakhstan, suffered a flood in March this year and production was suspended for about two months as the water was pumped out. As our deferred payment has a minimum deemed production rate of 40,000 tonnes of zinc, our payment for this year would have been due on this amount whether the pit was operating or not. Meaningful production only resumed in July, and in August the mine produced 95,000 tonnes of ore containing about 21,000 tonnes of zinc.

The Jabali project, in Yemen, is progressing steadily and over the past four months, in spite of a very tight employment market, we have begun to secure key personnel for the production operations. Most of the major processing equipment has been ordered, the mining fleet is being commissioned and mining operations will commence before the end of this year. However, we have been frustrated by a dispute between one of the tribes that own land through which our access road passes and the road building contractor. This resulted in a suspension of road construction work. The Yemen government have been working to assist in the resolution of this, and in addition we have recently engaged a negotiator experienced in tribal matters and we are hopeful that the issues will be settled in the near future. In the meantime road building activities have resumed. The completion of the access road is an important milestone for project development and as a result of the disruption to its construction we now believe the final completion of the project may slip into the first quarter of 2010, although our project team continues to make efforts to mitigate this disruption.

Corporate

In view of the considerable financial and other responsibilities that have arisen from the project developments, we have recently appointed N.M.Rothschild as financial advisers to the Company. N.M. Rothschild is among the most respected advisers in the natural resources and mineral processing industry.

The development of ORP and the Jabali Mine are the Company's first priority and the Board has recognised that their execution requires a very different set of management skills and experience to that which we have needed previously. Therefore in the first half of the year there was a considerable restructuring of the management of the company and this has also been reflected in Board changes. Peter Wynter Bee has taken over as Managing Director and two new executive directors with responsibility for Project Development, Simon Mulholland, and Production Operations, Jacques Dewalens, have been appointed. In addition, the Board has been joined by three new non-executive directors, each of whom has considerable international experience in the management of high growth companies.

We are fortunate to have the funding secured for both of our major projects which, even at today's zinc price, should result in positive cash flow to the Company within 18 months. During the current market turmoil, the management will continue to stay firmly focused on these project developments and I believe that this progress will lead to a revaluation as the markets recover.

Andrew Woollett
Chairman

Consolidated Interim Income Statement

	Note	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
		£'000	£'000	£'000
Revenue		-	-	-
Cost of sales		-	-	-
Gross Profit / (Loss)		-	-	-
Administrative Expenses		(4,813)	(3,308)	(5,607)
Underlying Operating Loss		(4,813)	(3,308)	(5,607)
Finance Income		618	609	1,085
Finance Costs		(4)	(18)	(37)
Share of losses of Associate		-	6	25
Other gains and losses	3	(1,240)	52	20,016
(Loss) / Profit before tax		(5,439)	(2,659)	15,482
Taxation		(27)	(6)	(4,096)
Net (Loss) / Profit		(5,466)	(2,665)	11,386
Attributable to:				
Equity holders of the parent		(4,853)	(2,657)	11,460
Minority Interest		(613)	(8)	(74)
		(5,466)	(2,665)	11,386
Basic (loss) / earnings per Ordinary Share	4	(8.63)p	(5.47)p	23.33p
Diluted (loss) / earnings per Ordinary Share	4	(8.63)p	(5.47)p	22.37p

Consolidated Interim Statement of Recognised Income and Expense

	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
	£'000	£'000	£'000
Currency translation differences	246	(94)	(162)
(Loss) / Profit for the financial period	(5,466)	(2,665)	11,386
Total recognised income and expense for the period	**(5,220)**	**(2,759)**	**11,224**

Consolidated Interim Balance Sheet

	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
	£'000	£'000	£'000
ASSETS			
Non-Current Assets			
Intangible Assets	18,902	14,982	17,706
Property, plant and equipment	33,646	9,690	22,031
Restricted cash	26,527	-	-
Other financial assets	254	255	-
	79,329	24,927	39,737
Current Assets			
Inventories	971	980	973
Trade and other receivables	2,763	2,770	18,449
Restricted cash	51,782	-	-
Cash and cash equivalents	27,128	25,091	12,646
	82,644	28,841	32,068
Total Assets	**161,973**	**53,768**	**71,805**
LIABILITIES			
Current Liabilities			
Bank loans and overdraft	(12)	(193)	(534)
Trade and other payables	(7,125)	(2,805)	(5,034)
	(7,137)	(2,998)	(5,568)
Non-current Liabilities			
Other long term liabilities	(63,456)	(681)	(581)
TOTAL LIABILITIES	**(70,593)**	**(3,679)**	**(6,149)**
NET ASSETS	**91,380**	**50,089**	**65,656**
EQUITY			
Share capital	14,194	12,222	12,244
Share premium	54,853	37,398	37,422
Retained earnings	6,986	(3,186)	11,364
Foreign currency reserve	84	(201)	(162)
Equity attributable to equity holders of the parent	**76,117**	**46,233**	**60,868**
Minority interest	15,263	3,856	4,788
TOTAL EQUITY	**91,380**	**50,089**	**65,656**

Consolidated Interim Cash Flow Statement

	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
	£'000	£'000	£'000
(Loss)/Profit before taxation	(5,439)	(2,659)	15,482
Adjustments for:			
Depreciation	498	431	920
Foreign exchange gain/(loss)	246	(94)	(55)
Interest received	(618)	(609)	(1,085)
Interest expense	4	18	37
Intangible assets written off	273	-	3
Share based payments	475	480	979
(Decrease)/Increase in trade and other payables	3, 051	2,114	4,099
(Increase) in trade and other receivables	(1,436)	(1,598)	(154)
Decrease in inventories	2	40	47
Foreign tax at source	-	-	(4,006)
Other gains and losses	1,240	(58)	(16,013)
Cash generated from operations	(1,704)	(1,935)	229
Interest paid	(4)	(18)	(37)
Net cash flow from operating activities	(1,708)	(1,953)	192
Investing activities			
Purchase of intangible assets	(1,502)	(4,475)	(7,293)
Purchases of property, plant and equipment	(12,235)	(1,412)	(13,998)
Interest received	618	609	1,085
Net cash used in investing activities	(13,119)	(5,278)	(20,206)
Financing activities			
Borrowings	61,645	-	-
Proceeds from disposal of assets	16,026	8,683	8,634
Minority Interest Investment	11,088	-	-
Net proceeds from issue of ordinary shares	19,381	270	316
Restriction of borrowed cash	(78,309)	-	-
Net cash received from financing activities	29,831	8,953	8,950
Net increase in cash and cash equivalents	15,004	1,722	(11,064)
Cash and cash equivalents at start of period	12,112	23,176	23,176
Cash and cash equivalents at end of period	**27,116**	**24,898**	**12,112**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

These interim condensed consolidated financial statements are the unaudited Consolidated Financial Statements of ZincOx Resources plc, for the six months ended 30 June 2008. They have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and the Companies Act 1985, applicable to companies reporting under IFRS.

These interim financial statements were approved by the board on 23 September 2008. The financial information for the year ended 31 December 2007 set out in this interim report does not comprise the group's statutory accounts as defined in Section 240 of the Companies Act 1985. The Group's statutory financial statements for the year ended 31 December 2007, prepared under IFRS, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 237(2) of the Companies Act 1985.

These financial statements have been prepared under the historical cost convention and the consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies

The financial information for the six months ended 30 June 2008 and 30 June 2007 is unaudited.

2. Significant Accounting Policies

The accounting policies and presentation followed in the preparation of this interim report have been consistently applied to all periods in these financial statements and are the same as those applied by the group in the preparation of its Annual Report for the year ended 31 December 2007.

In addition to those policies applied at 31 December 2007 the following policies reflect further policies which have been applied in these interim accounts and will be carried forward to 31 December 2008 year end accounts.

Borrowing Costs
Borrowing costs directly attributable to the construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are reflected in the profit and loss in the period in which they are incurred.

Derivative financial instrument
Derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts with gains and losses reported in the income statement.

Restricted Cash
Certain borrowings are specific in nature to the construction of specific qualifying assets and any cash balances as a result of those borrowings are carried as restricted cash. The restricted cash is excluded from cash and cash equivalent.

3. Other Gains and Losses

	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
	£'000	£'000	£'000
Deferred consideration on disposal of subsidiary	-	-	19,942
Profit / Loss on disposal of property, plant and equipment	16	52	77
Loss on disposal of intangible assets	-	-	(3)
Loss on disposal of investment	(15)	-	-
Derivative movement	(1241)	-	-
	(1,240)	**52**	**20,016**

The derivative movement in other gains and losses for the period relates to the bond finance for the Jabali project in Yemen. This relates to a financing charge which is linked to the future zinc price once production has commenced. It has been treated as a derivative and in addition to the value attributed to this at the date of the financing it will be fair valued at each future balance sheet date. The movement on the derivative liability is part of the financing and thus not recorded as part of operating activity, but shown in the income statement as other gains and losses.

The borrowings on which the finance relate to are shown in Other long term liabilities.

4. (Loss) / Earnings per Ordinary Share

	6 months to 30 June 2008 unaudited	6 months to 30 June 2007 unaudited	Year ended 31 December 2007 audited
	£'000	£'000	£'000
Basic (Loss) / Earnings per share			
Net (Loss) / Profit	(4,853)	(2,665)	11,386
Weighted average number of shares	56,262,432	48,712,286	48,801,664
Basic (Loss)/Earnings per share amount in pence	(8.63)p	(5.47p)	23.33p
Diluted (Loss) / Earnings per share			
Net (Loss) / Profit	(4,853)	(2,665)	11,386
Weighted average number of shares	56,262,432	48,712,286	50,906,836
Diluted (Loss)/Earnings per share amount in pence	(8.63)p	(5.47p)	23.37p

5. Reconciliation of Movement in Shareholders' Equity

	Share capital	Share premium	Foreign currency reserve	Retained earnings	Minority interest	**Total**
	£'000	£'000	£'000	£'000	£'000	**£'000**
At 1 January 2007-restated	12,105	37,245	(107)	(1,001)	(47)	**48,195**
Loss for the period	-	-	-	(2,665)	-	**(2,665)**
Issue of share capital	117	153	-	-	-	**270**
Exchange differences on translating foreign operations	-	-	(94)	-	-	**(94)**
Share based payments	-	-	-	480	-	**480**
Minority interest	-	-	-	-	3,903	**3,903**
At 30 June 2007 – unaudited	12,222	37,398	(201)	(3,186)	3,856	**50,089**
Profit for the period	-	-	-	14,051	-	**14,051**
Issue of share capital	22	24	-	-	-	**46**
Exchange differences on translating foreign operations	-	-	39	-	-	**39**
Share based payments	-	-	-	499	-	**499**
Minority interest – equity	-	-	-	-	932	**932**
At 31 December 2007 – audited	12,244	37,422	(162)	11,364	4,788	**65,656**
Loss for the period	-	-	-	(4,853)	-	(4,853)
Issue of share capital	1,950	17,431	-	-	-	19,381
Exchange differences on translating foreign operations	-	-	246	-	-	246
Share based payments	-	-	-	475	-	475
Minority interest	-	-	-	-	10,475	10,475
At 30 June 2008 – unaudited	14,194	54,853	84	6,986	15,263	**91,380**

6. Further copies of this statement

Copies of this statement are being sent to shareholders. Further copies are available on request from The Company Secretary, ZincOx Resources plc, Knightway House, Park Street, Bagshot, Surrey GU19 5AQ.

7. Events after the Balance sheet date

Since the balance sheet date, on 11 July 2008 the Company raised £36.4m before expenses, through the placing of 20,801,311 shares.

On 25 July 2008, the Company entered into a $48m bond facility, allowing the Company to draw down $48m at any point over the next 3 years. As a result of this facility, warrants to subscribe for 3m shares at £1.75 per share valid for 3 years were issued to the providers of the bond facility. If this facility is drawn down then further warrants would require to be issued.

Company Information:

Directors:

A C Woollett	Chairman
P F Wynter Bee	Managing Director
S C Hall	Finance Director
S P Mulholland	Project Development Director
J Z J Dewalens	Technical & Production Director
J L Hewitt	Non-Executive Deputy Chairman
R G Beddows	Non-Executive Director
J J Saville	Non-Executive Director
G E A Masson	Non-Executive Director
J F H Thompson	Non-Executive Director
D W Paxford	Secretary

Registered Number	3800208
Registered Office	Knightway House Park Street Bagshot Surrey GU19 5AQ
Telephone	01276 450100
Facsimile	01276 850015
Web site	www.zincox.com

Advisers:

Nominated Adviser and Broker	Numis Securities Limited The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT
Financial Advisers	N M Rothschild & Sons Ltd New Court St Swithin's Lane London EC4P 4DU
Bankers	HSBC Bank plc 26 Broad Street Reading Berkshire RG1 2BU
Auditors	Grant Thornton (UK) LLP Grant Thornton House Melton Street London NW1 2EP
Solicitors	Eversheds LLP One Wood Street London EC2V 7WS

Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU