

18 December 2009

**ZincOx Resources Plc
("ZincOx" or "the Company")**

**Acquisition of
Recycling Equipment in the USA**

ZincOx is pleased to announce that its subsidiary in the USA, Zinc and Iron Recycling of Ohio, Inc., (ZIRO), signed an agreement with a subsidiary of Severstal North America yesterday to acquire the processing equipment at its Waste Oxide Recycling Facility (WORF) based in Dearborn, near Detroit, Michigan.

The WORF facility was built in 1999 to treat 300,000 tonnes per annum of various iron wastes generated by the Rouge Steel plant, an integrated steel works at Dearborn. Much of the WORF equipment is essentially the same as that required at ZincOx's proposed Recycling Plant, at Delta, Ohio.

Under the agreement ZIRO will pay Severstal US\$4million to acquire the WORF equipment and remove it from its current location. Completion of the agreement will take place within 30 days, subject to the satisfaction of the conditions precedent.

ZincOx is planning to relocate the WORF equipment to its fully permitted site at Delta. The equipment includes truck unloading bays, materials handling equipment, storage silos, coal reception handling and pulverizing, feed mixing and briquetting equipment, conveying systems, a materials dryer, a complete gas handling system and a DRyIron[®] rotary heath furnace with capacity to treat 175,000 tonnes of waste from electric arc furnaces (EAFD) per annum. Operation of the WORF was suspended after one year in order to streamline the transfer of hot direct reduced iron (DRI) to the main steel plant; before this work was completed, however, the poor state of the steel industry led to mounting losses and ultimately the bankruptcy of Rouge Steel. In 2004, Rouge Steel was purchased by Severstal, which focused on investment in primary production and did not restart the WORF. Regular maintenance of WORF has, however, been carried out and the equipment is in good condition.

Commenting on the acquisition, Executive Chairman, Andrew Woollett, said:

"I am delighted that we have been able to reach agreement with Severstal, as this acquisition will allow us to advance our recycling strategy in North America. An evaluation of the integration of this equipment into our existing plans for the new Ohio plant is underway and I look forward to updating shareholders on our plans early next year."

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