



ASX Announcement

29th June 2009

TERMINATION NOTICE

Zambezi Resources Limited (the "Company") (ASX:ZRL) today announces the following:

The Company today received a notice from Clarity Capital Limited ("Clarity") purporting to terminate the Tranche 1 Share Subscription Agreement dated 10 June 2009 between the Company and Clarity for the issue of 12.8 million shares at 2 cents per share, for which completion is due today.

The Company is currently taking legal advice regarding the matter. The Company is in discussions with other parties for the provision of funding.

For Further Information please contact:

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Stock Exchange Listing:

ASX: ZRL

Issued Capital:

388,561,335 ordinary shares
3,230,214 listed options
8,760,000 unlisted options

Directors:

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

Chief Financial Officer:
Lloyd Flint