

ASX RELEASE
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Update Announcement on Capital Raising Structure

Further to the announcement on 2 April 2013 regarding the restructure and recapitalisation of ZYL Limited (“ZYL”), ZYL will now proceed with a capital raising via a placement of up to 280,000,000 shares each at an issue price of AUD0.02 per share to raise a minimum of AUD5,600,000 (“Placement”).

Prestige Glory, one of the major shareholders of ZYL, has given a firm commitment to subscribe for the entire amount of the Placement. ZYL will also approach other new investors and existing Shareholders that are sophisticated or professional investors to participate in the Placement. To the extent that these investors participate in the Placement, the obligation of Prestige Glory to subscribe for shares pursuant to the Placement will be reduced. However Prestige Glory will have the right, but not the obligation, to top up its subscription for shares to 280,000,000 Shares to the extent that other investors participate in the Placement (“Top Up Placement”).

In addition to the Placement and the potential Top Up Placement, the Company proposes to offer Shareholders the right to participate in a share purchase plan at the same price as the Placement which will raise up to a maximum of AUD1,500,000. The record date on which ZYL determined eligible shareholders to participate in the share purchase plan was 16 May 2013. Further details of the share purchase plan will follow in due course.

Commercial Director Phillipe Lalieu commented, “The placement completes the next step in finalising the Settlement Agreement announced in April and re-affirms the commitment of Prestige Glory in the development of ZYL.”

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About ZYL Limited

ZYL Limited is listed on the Australian Securities Exchange (ASX) and aims to become one of the world’s leading anthracite coal producers. The mission of ZYL is to develop high-margin metallurgical coal deposits for domestic and export markets. The Company’s flagship project is the Kangwane Central Project in South Africa, located close to rail, port, power and water infrastructure.

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