Risks Relating to the Company and its Investment Strategy

There are no restrictions on the investments the Company may make, and as a result an investment in the Company may entail greater risk than is typical of other investments.

Most fund or private equity vehicles impose limitations on the size, manner and/or type of investments. These limitations may restrict investment to a particular country or region, or a particular industrial sector or asset type, in which the investment management team is thought to have particular expertise; impose limitations designed to avoid concentration risk, foreign exchange risk and ensure a level of diversification; restrict the fund to investments in controlling interests in portfolio companies; or require compliance with other specified investment parameters. Although the Company intends to build a portfolio of investments primarily in Zimbabwe, the Company may also make investments in businesses outside Zimbabwe in entities which have a majority of their operations within Zimbabwe. The Company will not have any sectoral focus, although the Directors expect the Company to focus on investments in tourism, accommodations, infrastructure, transport, commercial and residential property, technology, communications, manufacturing, retail, services, leisure, agricultural and natural resources. Although the Directors intend to seek the consent of the Shareholders for the investment strategy on an annual basis, there will be no restrictions, formal or operational, individually or in the aggregate, on the investments the Company is permitted to make.

As a result, an investment in the Company may entail greater risk than is typical of investments in other funds. For example, the Company's portfolio could become concentrated in a relatively small number of very large investments, in which case the adverse performance of any one of these could have a material adverse effect on the Company's financial performance, results of operations and share price. Similarly, the Company's portfolio may, and will likely, be concentrated in investments in Zimbabwe, or a small number of countries, in which case adverse economic, political or other developments specific to the relevant country or countries could have a material adverse effect on the Company's financial condition, results of operations and share price. Moreover, despite the Company's intention to seek majority positions in companies, a significant proportion of the Company's investments may be made in (i) minority stakes in companies, which could impair the Company's ability to exercise effective control over those companies, or (ii) concentrated in a particular sector, which could have a material adverse affect on such investments if there is a downturn in the economic condition of such sector.

Shareholders will not know in advance which investments will be chosen, will not be given an opportunity to consent to individual investment decisions, and must rely on the Directors to make appropriate investment decisions and to implement the Company's investment strategy.

Investors must rely on the Directors to identify and acquire suitable investments. While the Directors intend to seek the consent of the Shareholders for the investment strategy on an annual basis, generally Shareholders will not otherwise participate in evaluating individual investment opportunities or in strategic decision making. Shareholders will thus be unable to evaluate the economic merit of particular investments prior to their acquisition and similarly will be unable to evaluate the Company's strategy with respect to managing investments, the decision whether to hold or exit from particular investments or the proposed terms of any such exit strategy.

The Company's current five Directors (along with any additional members of the Board appointed after the Placing) will have full discretion to make investment decisions on behalf of the Company. The Company's success will thus depend to a significant extent on the skill and judgment of the various Directors. The Company cannot guarantee that the Directors will identify suitable investment opportunities, properly evaluate such opportunities or develop and implement a successful overall investment strategy.

The Company may be unable to fully invest the net proceeds of the Placing within the short, medium or long term. Lower returns will be experienced for so long as the Company's capital is not fully deployed into suitable investments, and any uninvested proceeds may be returned to shareholders without interest.

There can be no guarantee that the Zimbabwean economy will improve or that suitable investment opportunities will materialise, prove attractive or be sufficient in quantity or size to permit the Company to invest the net proceeds of the Placing in the short, medium or long term. Although the Company will adopt a policy of active management of its cash resources, the short and medium term investments in which such cash will be invested will generate returns that are substantially lower than the returns the Company seeks to obtain from its investments. Accordingly, failure by the Company to invest the net proceeds of the Placing in full and in a timely fashion could have a material adverse effect on the Company's financial condition, results of operations and share price.

In the event that the Company does not make an investment within 18 months following Admission (provided the Company's potential acquisition of Blueberry International Services Limited will not count for these purposes), the Directors intend to convene a Shareholders meeting to consider whether to continue pursuing its investment objective or to wind up the Company and distribute any surplus cash back to Shareholders in the most efficient manner available.

In the event a resolution is passed or an order is made for the winding up of the Company, Lonrho would participate, *pro rata* to its holdings, in the liquidation distribution along side other shareholders. Lonrho has undertaken not to vote on any such resolutions.

Lonrho's investment track record may be of limited relevance in assessing the Company's future investment performance.

The historic performance of Lonrho or other companies managed by the Directors is not indicative of the Company's future performance, as the Company's investment objective and strategy differ from such other entities. Since Lonrho's admission to AIM in 2004, Lonrho has made only one investment in Zimbabwe, its recent investment in Blueberry International Services Limited, as further described in section 4 of Part II of this document. Consequently, the Company's actual performance may differ materially from the historic results of Lonrho or the Directors' other endeavours.

The Company is a newly-formed company with no operating history and therefore has no track record to aid investors in evaluating potential future performance.

The Company is a limited company incorporated under the Companies Act 2006 of the Isle of Man and has not yet commenced operations. The Company does not have any historic financial statements or other meaningful operating or financial data on which potential investors may evaluate the performance of investments, the effectiveness of the Company's investment strategy or the Company's prospects. An investment in the Ordinary Shares is therefore subject to all the risks and uncertainties associated with any new business, including the risk that the Company will not achieve its investment objectives, which will depend on future events or circumstances, in particular a radical improvement in the Zimbabwean economy. Many of these events and circumstances cannot be predicted and are events or circumstances over which the Company has no control. Consequently, the value of any potential investor's investment could decline substantially including to the point of a total loss of investment.

Competition for investment opportunities in Zimbabwe may increase generally over time.

The Company expects to compete with a number of different types of entities for investment opportunities, primarily public and private investment funds, operating companies acting as strategic industry buyers, commercial and investment banks and commercial finance companies. Certain of these competitors may be able to raise more capital, or may have a lower cost of capital, than is available to the Company, which may create competitive disadvantages for the Company with respect to some investment opportunities. Potential industry buyers may be able to extract synergies, which may not be available to the Company, and therefore may be in a position to offer preferable consideration, rendering any offers they make more competitive.

Although the Company is not aware of any funds of comparable size that currently share its focus on investment in Zimbabwe, there can be no guarantee that one or more such funds may not arise in response to the market opportunity in the region. In addition, it is likely that over time, if the Zimbabwean economy radically improves, the overall level of activity in the region will increase, perhaps substantially.

In particular, the Company may face competition in acquiring mining investments from Lonrho Mining (which is excluded from the scope of the restrictions on Lonrho under the Management Services Agreement) which may limit the ability of the Company to achieve its investment objectives. Additionally, Lonrho has historic investments in Zimbabwe and, coupled with its ongoing operations in Africa, this may result in conflicts of interest arising in respect of any projects which both companies may wish to pursue.

Any of the foregoing could subject the Company to significant competitive pressures, and the Company can offer no guarantee that competition will not deprive it of attractive investment opportunities or materially increase the cost of winning such opportunities, or that this would not have a material adverse effect on the Company’s financial condition, results of operations and share price.