

30<sup>th</sup> June 2020

## Conditional Sale of Fraser Range Nickel Tenement

### Corporate Details

#### ASX: ZNC

Issued Shares (ZNC)	243.4M
Unlisted options	5.6M
Mkt. Cap. (\$0.12)	A\$29M
Cash (31 <sup>st</sup> Mar 19)	A\$1.28M
Debt	Nil

### Directors

<b>Mike Joyce:</b> Non-Exec Chairman
<b>Michael Clifford:</b> Managing Director
<b>Stan Macdonald:</b> Non-Exec Director
<b>Julian Goldsworthy:</b> Non-Exec Director
<b>Graham Riley:</b> Non-Exec Director
<b>Peter Bird:</b> Non-Exec Director

### Major Shareholders

Directors	~16%
HSBC Custody. Nom.	12%
J P Morgan	6.1%
Miquilini	4.4%
Abingdon	4.2%

### Contact Details

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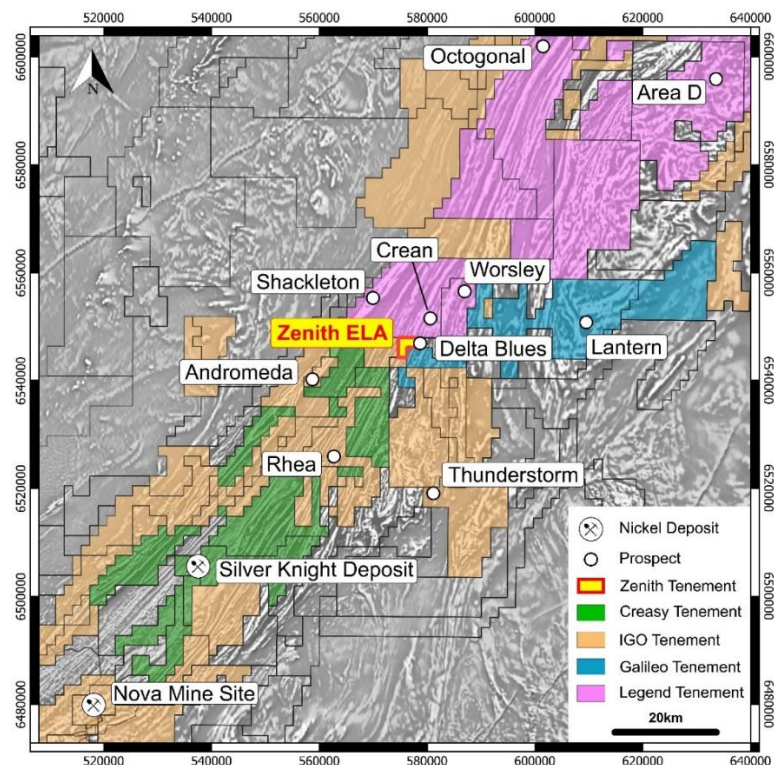


Zenith Minerals Limited (Zenith) has signed a binding heads of agreement with unlisted company New Energy Metals Limited (NRG) for the sale of its Fraser Range tenement for \$100,000 in the capital of NRG whilst retaining a 1.5% net smelter royalty on any future production of metals from the property. The sale is conditional on upon the successful listing via an initial public offering (IPO) of NRG on the Australian Securities Exchange (ASX) within 6 months, and other regulatory approvals.

The divestment reinforces Zenith's focus on its wholly owned gold and copper projects. These currently include projects in Queensland (Red Mountain, Flanagans and Develin Creek) and Western Australia (Split Rocks). Highly encouraging first pass gold drilling results from Red Mountain (14m @ 5.5 g/t from surface ASX release 17<sup>th</sup> June 2020) will be the subject of a follow-up program next month along with drilling of gold targets at Split Rocks.

As previously advised (ASX Release 4<sup>th</sup> December 2019) Zenith won a portion (3 graticular blocks) of a recent contested ballot for nickel prospective ground within the Fraser Range in Western Australia. The Department of Mines, Industry Regulation and Safety has advised Zenith that numerous competing exploration licence applications were resolved via ballot with E28/2779 awarded to its wholly owned subsidiary Black Dragon Energy (AUS) Pty Ltd (Figure 1).

The exploration licence application is located immediately west of Galileo's (ASX:GAL) Delta Blues nickel target (*GAL Release 3 December 2019 "New Nickel Prospect in Northern Fraser Range Belt"*) and south west of Legend's (ASX:LEG) Crean nickel target (*LEG Release 1 May 2019 "Assays Strengthen Potential of Rockford South Prospects"*).



**Figure 1- Location of Zenith's Fraser Range Exploration Licence Application**



## About New Energy Metals

New Energy Metals Limited (NRG) is an unlisted public company planning an initial Public Offering (IPO) and ASX listing later this year. NRG has indicated that it will prioritise applications in the IPO from ZNC shareholders. NRG primary focus is Nickel Sulphide exploration in WA with exposure to the Albany Fraser Orogen and the South West Yilgarn while retaining a proprietary Nickel Sulphide prospectivity database to generate further projects.

## Competent Persons Statement

*The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

Authorised for release by the Zenith Minerals Limited Board of Directors – 30<sup>th</sup> June 2020

### For further information contact:

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## Background on Zenith Minerals

Listed on the Australian Securities Exchange (ASX) in May 2007 (ASX Code ZNC) under the name Zinc Co Australia Limited, the Company subsequently changed its name to Zenith Minerals Limited in November 2010.

Zenith has a vision to build a gold and base metals discovery business with a team of proven project finders.

Focus is on 100% owned Zenith projects, whilst partners progress multiple additional opportunities using third party funds.

Projects may be developed or monetized depending how shareholders' best interests are served.

*Zenith Minerals has accumulated an extensive project portfolio broadly subdivided as follows:*

