

14th July 2020

Drilling Commenced to Test Multiple Gold Targets at Split Rocks Project, WA

Corporate Details

ASX: ZNC

Issued Shares (ZNC)	294.4M
Unlisted options	9.6M
Mkt. Cap. (\$0.1)	A\$29M
Cash (31 st Mar 19)	A\$1.28M
Share Issue Jul raising (before costs)	\$A5.1M
Debt	Nil

Directors

Mike Joyce:

Non-Exec Chairman

Michael Clifford:

Managing Director

Stan Macdonald:

Non-Exec Director

Julian Goldsworthy:

Non-Exec Director

Graham Riley:

Non-Exec Director

Peter Bird:

Non-Exec Director

Major Shareholders

Directors	~13%
HSBC Custody, Nom.	10%
J P Morgan	5.0%
Miqulini	3.9%
Abingdon	3.5%

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- Drilling commenced to test a series of high-order gold targets at Zenith's 100% owned Split Rocks project in Western Australia.
- The Split Rocks drill campaign is one of two that Zenith will be undertaking at 100% owned gold projects in July, the other being a major follow up drill campaign at Zenith's Red Mountain gold project in Queensland where recent drilling returned 14m @ 5.5 g/t Au incl 6m @ 12.3 g/t Au from surface.
- The +3000m aircore program at Split Rocks is anticipated to take approximately 2 to 3 weeks to complete with assays likely a few weeks later.

Zenith Minerals Limited ("Zenith" or "the Company") is pleased to advise that drilling has commenced at the Company's 100% owned Split Rocks gold-lithium project in Western Australia (Figure 1).

As foreshadowed in Zenith's ASX Release dated 14th February 2020, drilling will test a series of high-order gold targets extending over 18km of strike throughout the project area. These targets include several, large, high-order geochemical anomalies that have never been or were poorly drill tested. The anomalies are in several cases coincident with major fault structures and geological contacts that contain significant gold deposits along strike (Figure 2).

The +3000m aircore program at Split Rocks will now test an initial 6 of the 12 drill targets outlined in Zenith's recently completed review. The program is anticipated to take approximately 2 – 3 weeks to complete with assays likely a few weeks thereafter.

CEO COMMENTS

CEO Mick Clifford said *"These targets are the culmination of months of painstaking data compilation and interrogation and we are excited to now be in a position to commence their drill testing."*

This is an exciting period for Zenith shareholders as we are planning major drill campaigns on two 100% owned gold projects, Split Rocks and Red Mountain this month, along with field based activities at our Flanagan's gold and Develin Creek copper-zinc projects that will likely add significantly to our upcoming news flow"

Split Rocks Project Background

Gold Potential

Zenith's Split Rocks project is located within the Southern Cross region in the Forrestania greenstone belt, approximately halfway between Perth and Kalgoorlie. Several very large current and formerly operated gold mines located north and south along strike from Zenith's project area attest to the regional gold endowment of this area.

A major targeting exercise by the Company's geological team has identified 12 high-quality gold drill targets in the north eastern sector of the Company's 100% owned Split Rocks project (Figures 1 & 2). The study involved integrating geological, geophysical and geochemical data sets from Zenith's exploration activities as well as historic exploration programs that were generally conducted more than 20 years ago, mainly for nickel, when the gold price was significantly lower than today.



Zenith's targeting study has identified several, large, high-order geochemical anomalies (defined by historic auger sampling maximum value 300ppb Au and a mix of Zenith & historic shallow RAB & aircore drilling) that:

1. have never been or were poorly drill tested,
2. extend over 18km of strike.
3. The anomalies are in several cases coincident with major fault structures and geological contacts that contain significant gold mineralisation along strike.

Of these 12 targets, 8 require first pass aircore drill testing, whilst a further 4 targets (12 in total) require follow-up RC drilling to test poorly explored open-ended gold zones such as 2m @ 6.5 g/t Au (end of hole). A total of six targets will be tested in this current program, with permitting underway to allow additional targets.

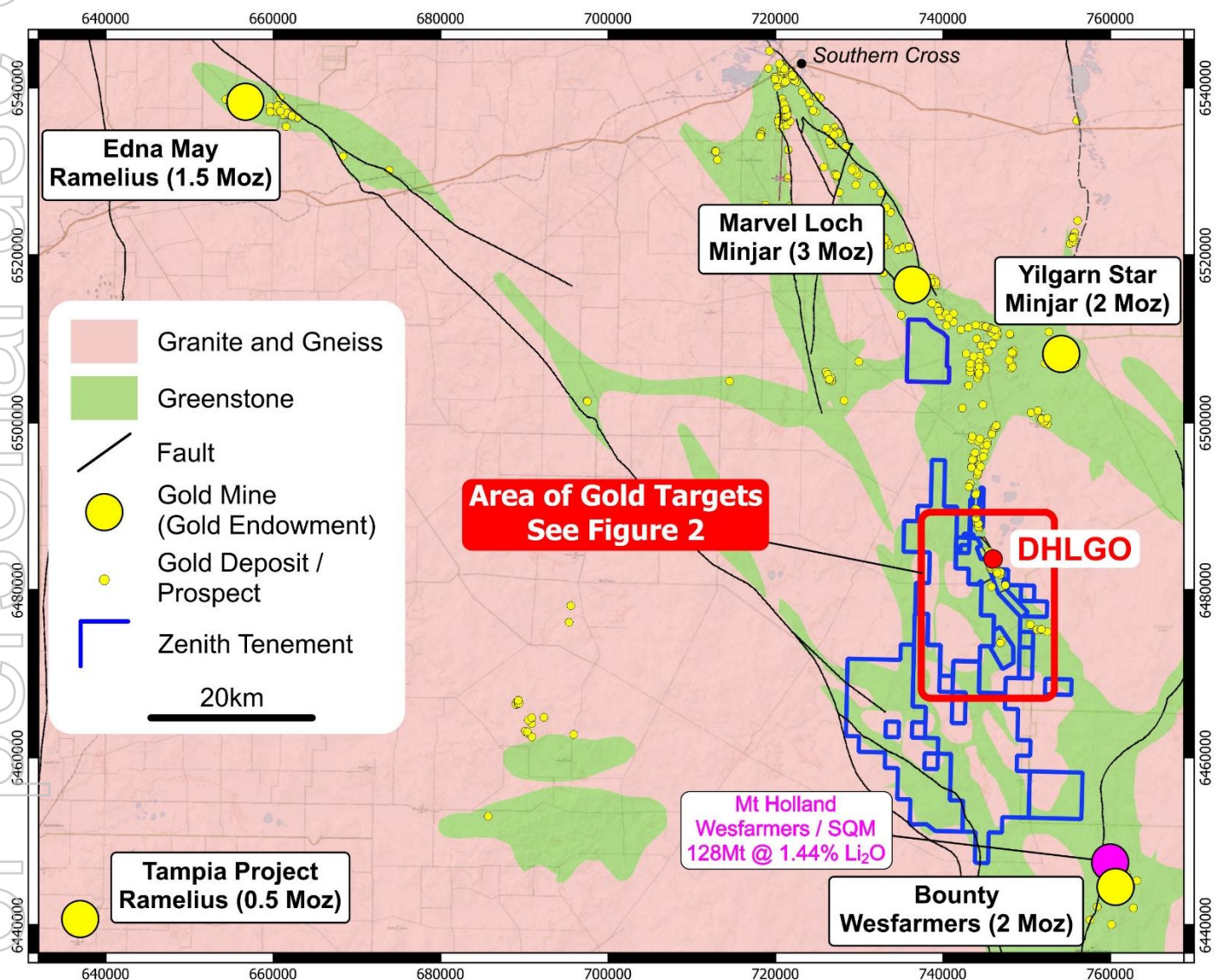


Figure 1- Split Rocks Project Location Map Showing Zenith tenements, DHLGO Prospect and Regional Gold Endowment

*The Company has an exclusive right to explore the DHLGO project for bedrock gold mineralisation beneath the large laterite rich gold cap currently being mined and treated on leases located contiguous with Zenith's Split Rocks project licences, located in the Forrestania greenstone belt, Western Australia (Figure 1).

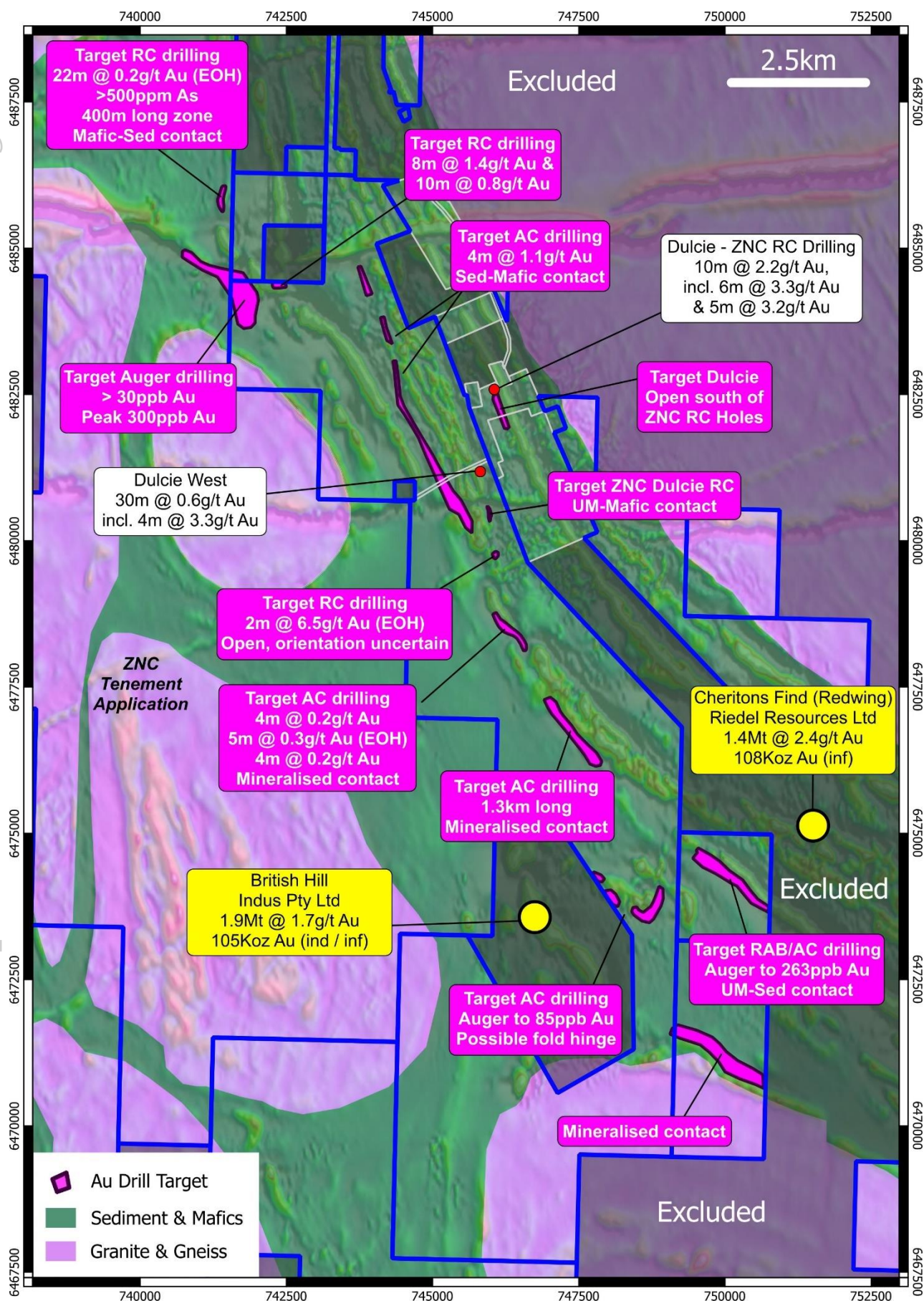


Figure 2: Twelve Split Rocks Gold Targets for Future Drill Testing



Zenith has completed 2 recent phases of RC drilling at the Dulcie prospect (ZNC ASX release 14th Feb 2020) demonstrating that the Dulcie gold mineralised structure remains open along strike, particularly to the south (Figure 2).

Mineralisation at Dulcie is hosted within quartz veined and sericite altered mafic volcanic rocks and remains open and untested along strike with evidence of multiple stacked lodes. The results included:

- ZDRC022: 10m @ 2.2 g/t Au from 59m depth, incl. 6m @ 3.32 g/t Au and
- ZDRC020: 5m @ 3.23 g/t Au from 8m depth,

Drilling so far has only tested 100m of strike potential of the Dulcie gold mineralised structure. This program will now focus on the along strike potential particularly to the south of the DHLGO gold zone as well as the numerous high-quality gold targets within Zenith's extensive, 100% owned Split Rocks landholdings.

Lithium Potential

In addition to the gold targeting exercise, Zenith has also been systematically exploring its 100% owned Split Rocks project with landholdings of approximately 600 sqkm in the Forrestania greenstone belt for lithium. This emerging lithium district is host to SQM-Kidman's Mt Holland/Earl Grey lithium deposit containing 189Mt @ 1.5% Li₂O (KDR:ASX Release 19th Mar 2018).

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 – 14th July 2020

About Zenith

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.

For further information contact:

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