

16th October 2020



Corporate Details

Zenith Minerals Limited (ASX:ZNC)
ABN: 96 119 397 938

Issued Shares	294.4M
Unlisted options	9.6M
Mkt. Cap. (\$0.11)	\$32M
Cash (30 Jun 20) \$0.97M + \$5.1M*	
* Share Issue July 20 (before costs)	
Debt	Nil

Directors

Peter Bird	Exec Chair
Michael Clifford	CEO
Stan Macdonald	Non-Exec Director
Julian Goldsworthy	Non-Exec Director
Graham Riley	Non-Exec Director
Mike Joyce	Non-Exec Director
Melinda Nelmes	CFO & Co Sec

Major Shareholders

Directors	~13%
HSBC Custody. Nom.	10%
J.P. Morgan	5.0%
Miquilini	3.9%
Kingdon	3.5%

Contact Us

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APPOINTMENT OF EXECUTIVE CHAIRMAN

- Over the past 3 years the Company has focussed on accumulating a quality portfolio of assets with a very modest budget.
- This work has culminated with a core set of 1st world projects in the precious and base metals space.
- Initial results from two of the leading projects, being Red Mountain (gold in Queensland) and Split Rocks (gold in Western Australia) have been very positive. Drilling continues at both sites.
- In the current quarter the Company will aggressively evaluate 5 key wholly owned projects with a combination of drilling and geological evaluation. Work will also continue at two independently managed JV assets.
- The Company is well funded to advance its project portfolio having recently completed an oversubscribed capital raising. News flow will be extensive from the project portfolio.
- The Company has made the decision to augment the management team with additional resources to cater for the increased activity levels.
- Effective today Peter Bird will assume the role of Executive Chairman and focus on investor relations and corporate whilst CEO Mick Clifford will focus on the growth of the business by unlocking the potential in the existing Company projects. Additional executive management will mean the team will also have the time and capacity to assess new advanced stage opportunities should they arise.
- The Company will next present at the Virtual Gold Conference on the 26th November 2020 to update investors on its activities and recent results.

CEO COMMENTS

Commenting on the appointment, Mick Clifford said: "I'm very pleased that Peter has joined the management team in an executive capacity. His skills, experience and investor contacts have the potential to add significantly to our business. I look forward to working together to unlock the value in our projects for the benefit of all shareholders and stakeholders"

EXECUTIVE CHAIR COMMENTS

Peter Bird said:

"I am really excited to have been offered a more active role within Zenith. The process of renewal and transition as the business grows and evolves has been managed with the utmost thought and professionalism. This process has been

led by retiring Chairman Mike Joyce and CEO Mick Clifford. By way of background I was initially drawn to the Company because of the team's long-standing record of identifying quality undervalued projects. We have an enviable portfolio in the precious and base metals space. Results generated from our activities to date and ongoing will continue to be both value generating and exciting. Zenith Minerals should be on every resources investors watch list and portfolio as an undervalued opportunity"

For further information please refer to the Company's website or contact the Company directly.

Authorised for release by the Zenith Minerals Limited Board of Directors – 16th October 2020

For further information contact:

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About Zenith

Zenith has a vision to build a gold and base metals 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.

Zenith is continuing to focus on its core Australian gold and copper projects including:

- o **Red Mountain Gold Project** in Queensland (100% owned) where ongoing drilling is following-up the high-grade near surface gold and silver intersected in the maiden drill program (ASX Releases 3 Aug 20 & 13 Oct 20), including:
 - o 13m @ 8.0 g/t Au & 3.2 g/t Ag from surface, incl. 6m @ 16.7 g/t Au & 5.3g/t Ag
 - o 15m @ 3.5 g/t Au, incl. 2m @ 22.4 g/t Au
- o **Split Rocks Gold Project** in Western Australia (100% owned), where recent drilling returned, high-grade near surface gold mineralisation at multiple targets (ASX Release 5 Aug 20), including:
 - o Dulcie North: 32m @ 9.4 g/t Au, incl 9m @ 31.4 g/t Au highest individual 1m sample 199.2 g/t Au.
 - o Dulcie Laterite Pit:
 - 2m @ 14.5 g/t Au, incl. 1m @ 20.8 g/t Au,
 - 18m @ 2.0 g/t Au (EOH) incl. 1m @ 23.7 g/t Au &
 - 2m @ 4.7 g/t Au incl. 1m @ 8.3 g/t Au
 - o Estrela Prospect: 2m @ 9.8 g/t Au (open to north & south)
 - o Dulcie Far North: 5m @ 5.6 g/t Au incl. 4m @ 6.8 g/t Au
- o **Develin Creek Copper-Zinc Project** in Queensland (100% owned) – maiden drill test of the new Snook copper target located 30km south of Zenith's JORC resources planned for October 2020.
- o **Jackadgery Gold Project** in New South Wales (option to earn initial 90%), historic trenching returned 160m @ 1.2 g/t Au. No drilling to date. Zenith planning maiden drill test (ASX Release 10 Sep 20)
- o **Flanagans Gold & Copper Project** in Queensland (100% owned) - further sampling required to define a drill target.

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.

Material ASX Releases Previously Released

The Company has released all material information that relates to Exploration Results, Mineral Resources and Reserves, Economic Studies and Production for the Company's Projects on a continuous basis to the ASX and in compliance with JORC 2012. The Company confirms that it is not aware of any new information that materially affects the content of this ASX release and that the material assumptions and technical parameters remain unchanged.

Executive Chair Remuneration Package

Annually renewable contract with remuneration broken into two broad component parts, being Fixed Annual Remuneration and Variable Remuneration with the latter subject to performance criteria set by the Remuneration Committee.

Fixed Annual Remuneration (FAR)

- cash salary of \$265,000 inclusive of 9.5% superannuation
- on market share purchase of 10 - 15% of cash salary adjusted for tax purposes to be taken in the form of Zenith Minerals ordinary shares purchased on market on the Executive Chair's behalf by the Company's authorised and nominated broker. Purchases shall take place at regular intervals throughout the year.

Variable Remuneration

Short Term Incentives (STI) to be refined further after additional research on market STI's tied to similar Executive Chair roles – Performance Indicators will most likely be tied to Company share price and or Company spending.

Long Term Incentives - (LTI) To be granted in the form of Premium Exercise Price Options (PEPO's) with final number of options in each tranche subject to performance. Key Performance Indicators will include ensuring the Company is adequately funded, growth of the business, and building the Company's brand and profile.

Tranche 1 – up to 3,000,000 unlisted options in ZNC will be with a three-year term from the Effective Date and exercisable at a 43% premium to the 5-day VWAP immediately preceding the effective start date in the role, vesting on the later of 3 months or shareholder approval.

Tranche 2 – up to 2,000,000 unlisted options in ZNC will be granted with a four-year term from the Effective Date and exercisable at a 67% premium to the 5-day VWAP immediately preceding the effective start date in the role, vesting on the later of 9 months or shareholder approval.

Subsequently the LTI situation should be reviewed annually. All options will comply with the terms and conditions of the Company's Employee Share Scheme.

Key Vesting Condition: No option shall vest unless Bird is in continuous employment with ZNC from the date of grant of the options.