

22 February 2021



Corporate Details

Zenith Minerals Limited (ASX:ZNC)

ABN: 96 119 397 938

Issued Shares	294.4M
Unlisted options	16.55M
Mkt. Cap. (\$0.12)	A\$35M
Cash (31-Dec-20)	A\$3.85M
Debt	Nil

Directors

Peter Bird	Exec Chair
Michael Clifford	Director-CEO
Stan Macdonald	Non-Exec Director
Julian Goldsworthy	Non-Exec Director
Graham Riley	Non-Exec Director
Nicholas Ong	CFO & Co Sec

Major Shareholders

Directors	~7%
HSBC Custody. Nom.	10.8%
J P Morgan	5.3%
Granich	4.6%
Citicorp Nom	4.3%

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DRILLING COMMENCED AT RED MOUNTAIN GOLD PROJECT

- **Second phase diamond drill (DD) program** (drill holes up to a maximum depth of 400m) has commenced at the Company's 100% owned Red Mountain gold project in Queensland (Figure 1).
- **Ongoing exploration activity** at the Red Mountain gold project is continuing to provide highly encouraging high-grade gold drill assay results (refer to ASX release 21-Jan-21).
- **Drilling to date** has outlined a discrete sub-vertical high-grade gold zone (Western Zone) to a vertical depth of 180m. The zone remains open at depth and drill holes in this program will test for gold mineralisation to 300m below surface (Figures 2 – 4).
- **High-grade gold** was intersected in both the most recently completed diamond drill holes (ZMRD038 and 040) with individual assays peaking at 34.2 g/t Au and 10.4 g/t Au respectively. Results were particularly strong in hole ZMRD040 with zones of high-grade gold intersected from 111m down hole to the end of hole at 201.7m (Figures 1 & 2).
- **Gold mineralisation** appears to be associated with a stockwork of base metal stringer veins in altered diorite, granodiorite and granite with 5 separate occurrences of visible gold confirmed by assay results.

During 2020 the Company intersected high-grade near surface gold in the maiden and subsequent drill programs at the Red Mountain gold project (ASX Releases 3-Aug-20 & 13-Oct-20, 9-Nov-20, 21-Jan-21), including:

- 13m @ 8.0 g/t Au & 3.2 g/t Ag from surface
- 15m @ 3.5 g/t Au, incl. 2m @ 22.4 g/t Au
- 5m @ 10.4 g/t Au, and
- 12m @ 4.9 g/t Au

The current follow-up diamond drill program will commence step-out drilling to test the depths extents of gold mineralisation. An initial 4 diamond drill holes up to 400m depth will form the first part of this campaign. Drilling is anticipated to take approximately 3 weeks with assay results a further 3 weeks hence. Following completion of this work at Red Mountain it anticipated the rig will be mobilised to the Company's Develin Creek copper-zinc project, to enable time for assays results to be received for the Red Mountain drill core.

Commenting on the diamond drilling program at Red Mountain, Executive Chairman Peter Bird said: "Should this round of much deeper drilling intersect gold mineralisation of a similar type to that in ZMRD040 (where free gold was identified in five separate intersections) then we will be at a very positive and pivotal point for the Red Mountain gold project. We are currently very confident that we are drilling a breccia pipe system which is mineralised. The trick now is to chase a commercial scale gold inventory which has the potential to add significant value to the business."

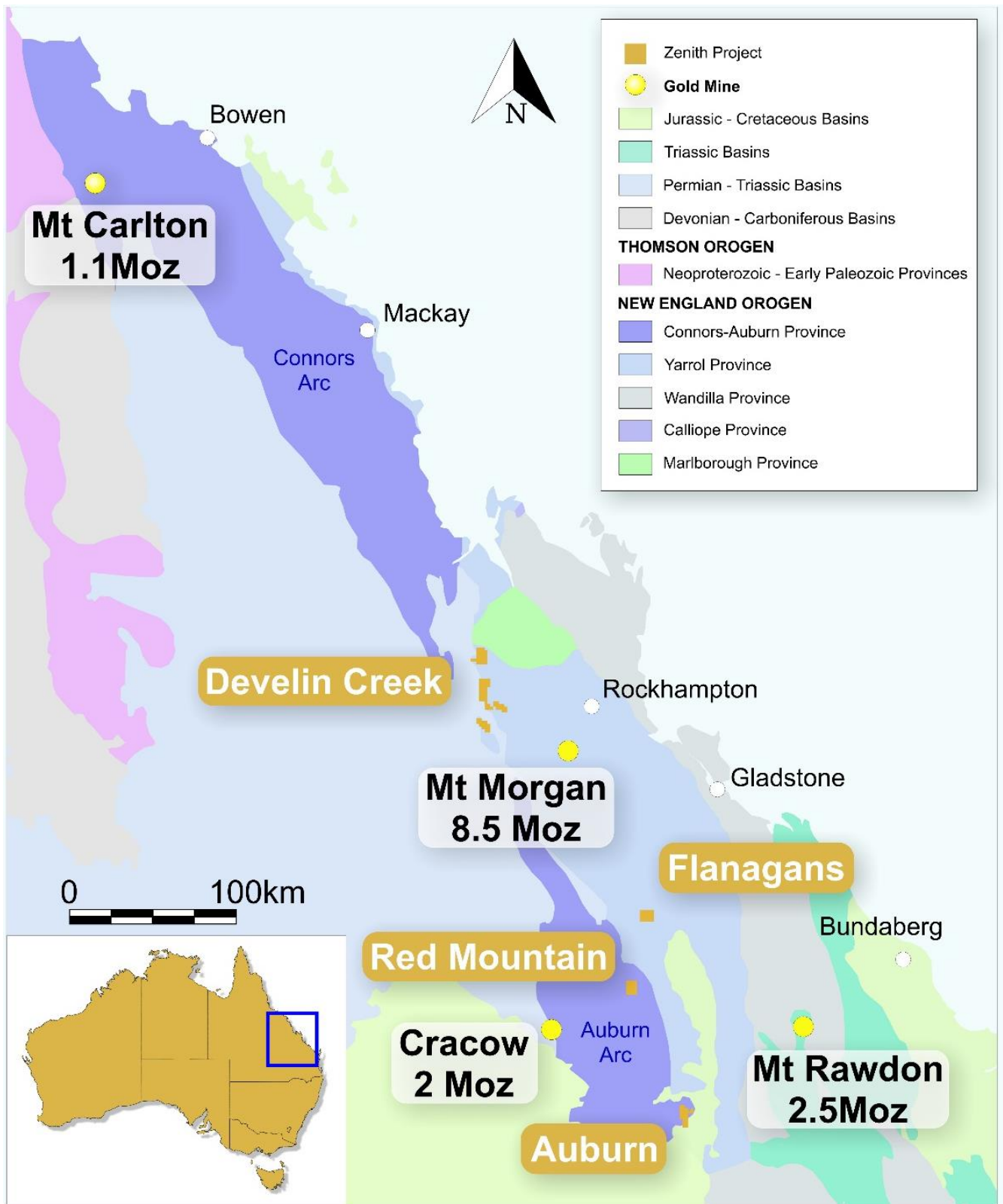


Figure 1: Red Mountain Gold Project Location Map

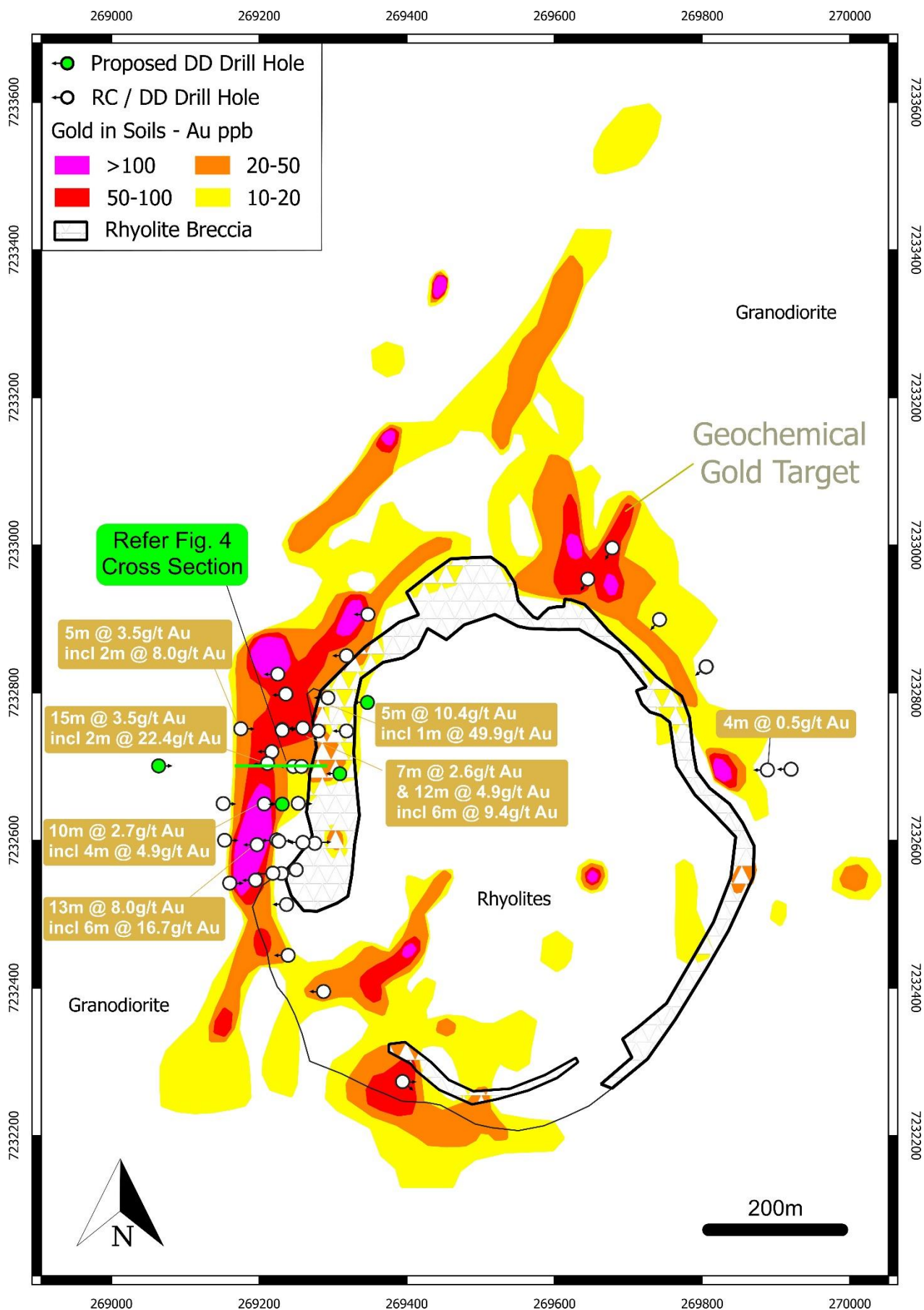


Figure 2: Red Mountain Breccia Pipe Target Showing Gold Soil Anomalies and Drill Collar Locations with Planned DD Holes

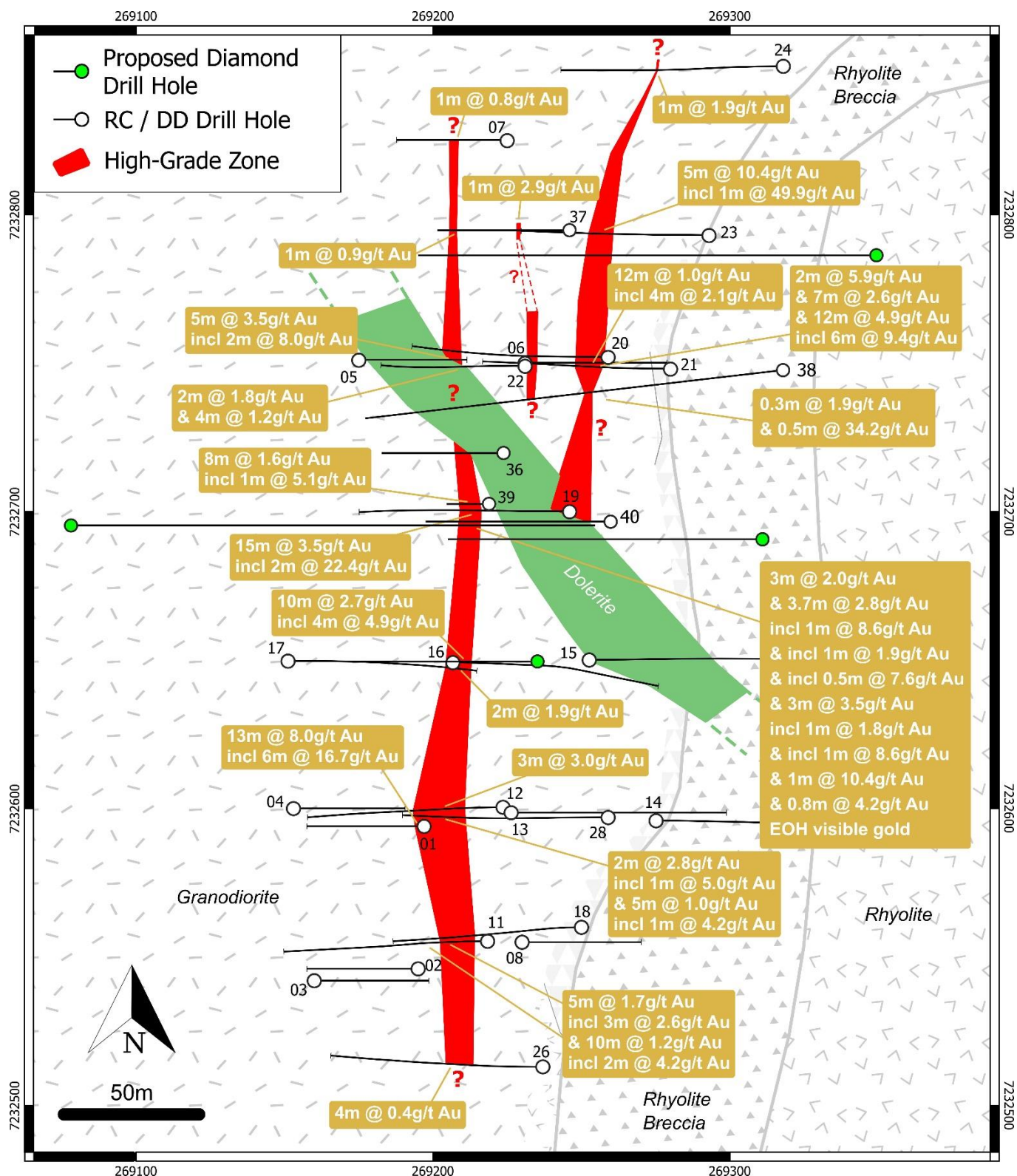


Figure 3: Red Mountain Plan Showing High-Grade Gold Zone

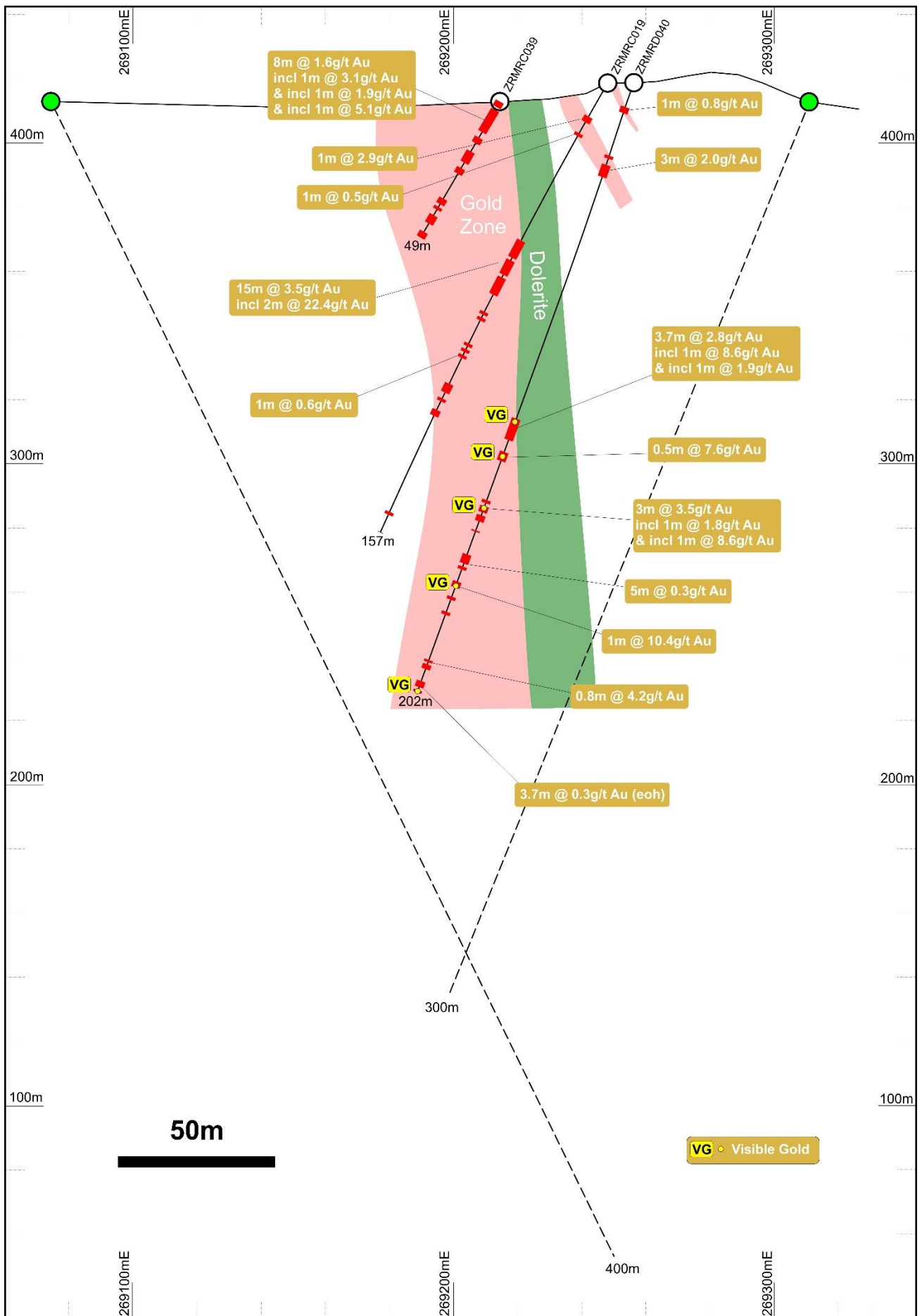


Figure 4: Cross Section - Red Mountain Western Zone High-Grade Gold Zone with Planned Diamond Holes (dotted lines)

- The confirmation of extensive visible gold and strong gold grades in what we believe to be associated with the upper levels of a breccia pipe system will now lead us to push the drilling program to explore much deeper – that is below the 180 vertical metre level. As illustrated in Figure 3 we are potentially still only exposing the upper portion of a breccia pipe system if other similar well documented systems such as the Mt Wright gold mine are a proxy.

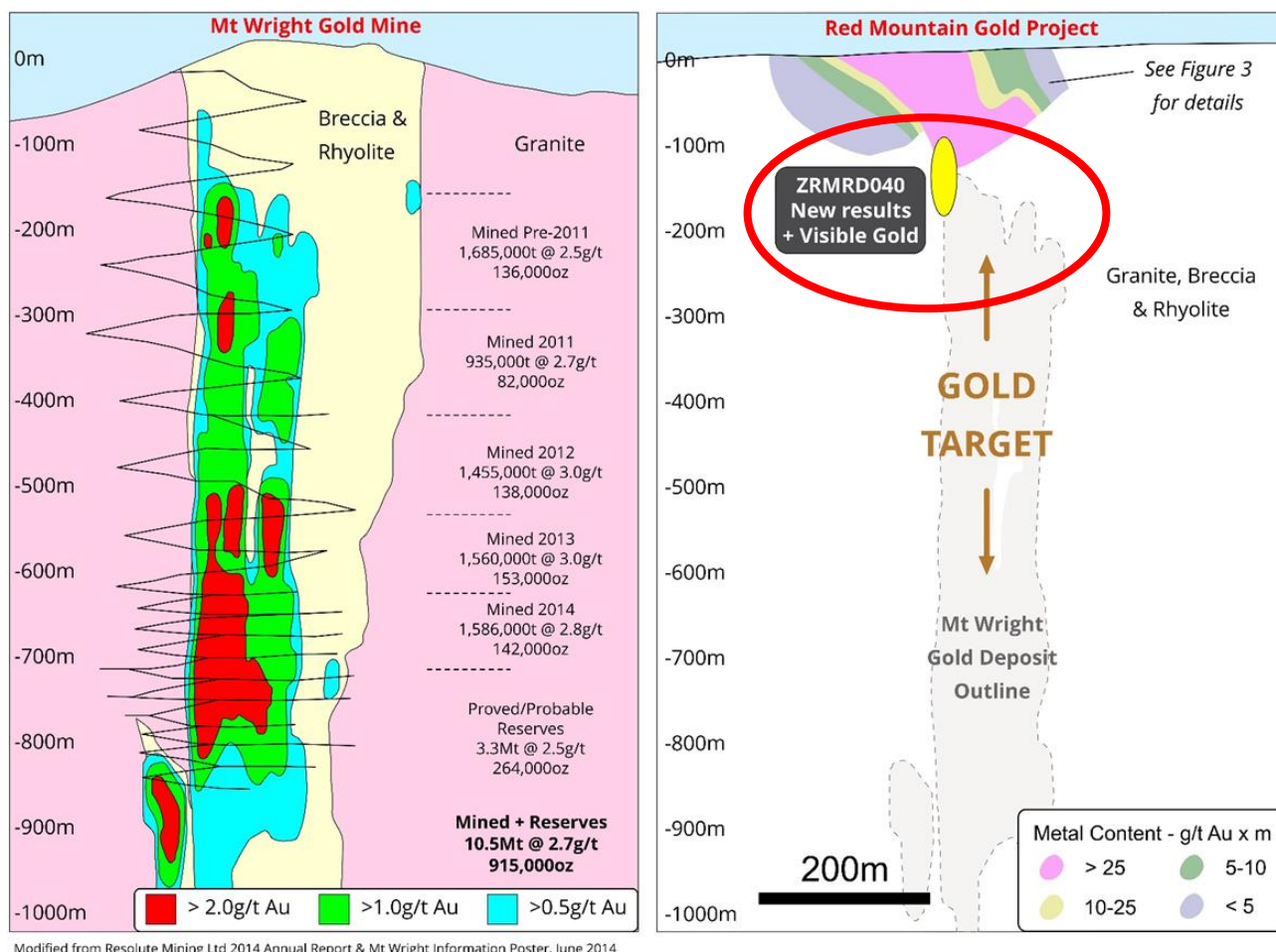


Figure 4: Comparative Cross Sections – Mt Wright Gold Mine (not an asset of the Company) and Red Mountain Gold Project with Location of New Diamond Drill Results

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 – 22 February 2021

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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.

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:

- 🚩 **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 & subsequent drill programs (ASX Releases 3-Aug-20 & 13-Oct-20, 9-Nov-20, 21-Jan-21), including:
 - 13m @ 8.0 g/t Au & 3.2 g/t Ag from surface
 - 15m @ 3.5 g/t Au, incl. 2m @ 22.4 g/t Au
 - 5m @ 10.4 g/t Au, and
 - 12m @ 4.9 g/t Au
- 🚩 **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, 2-Sep-20, 19-Oct-20, 28-Oct-20), including:
 - Dulcie North: 32m @ 9.4 g/t Au, incl 9m @ 31.4 g/t Au with the highest individual 1m sample returning 199.2 g/t Au.
 - 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 &
 - 14m @ 3.5 g/t Au
 - Estrela Prospect: 2m @ 9.8 g/t Au (open to north & south)
 - Dulcie Far North: 5m @ 5.6 g/t Au incl. 4m @ 6.8 g/t Au
- 🚩 **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 discovers massive copper-zinc sulphides (ASX Release 17-Dec-20).
- 🚩 **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).