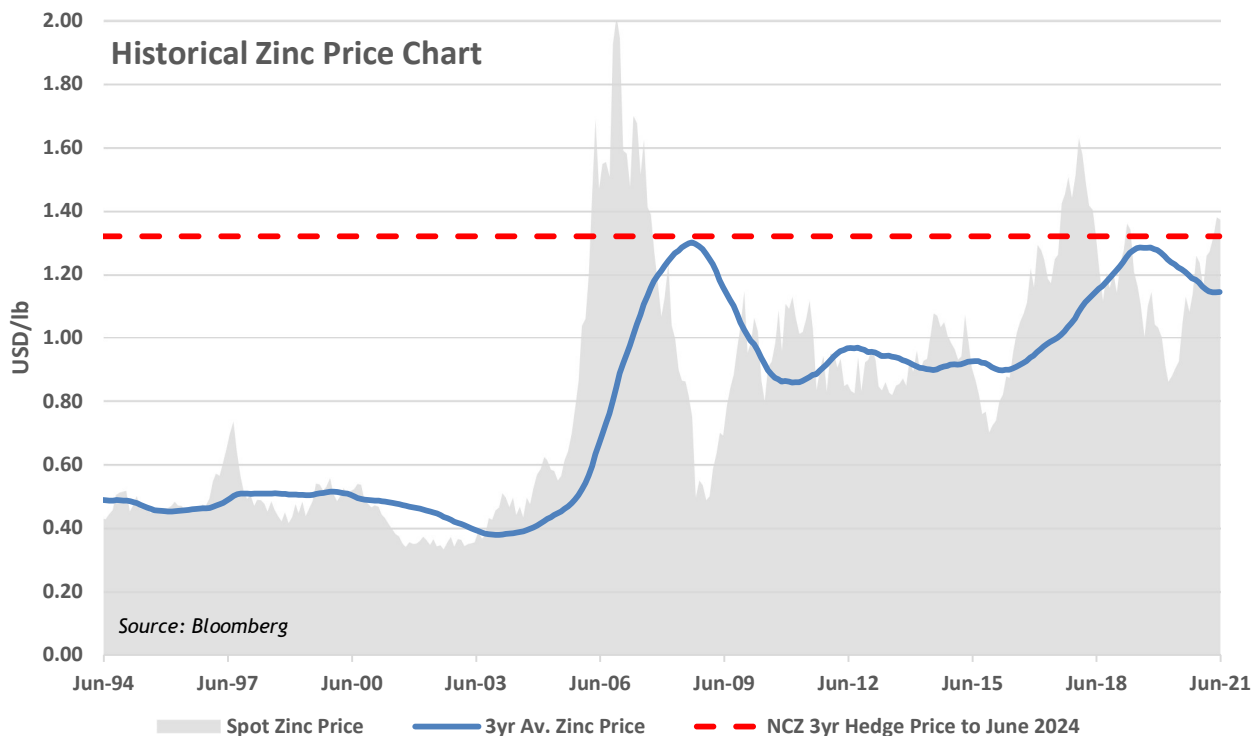


## New Century Executes Major AUD Zinc Hedging Transaction with Macquarie Bank Ltd: ~25% of Annual Production Fixed at ~US\$1.32/lb for Three Years

### Highlights:

- Major zinc hedging transaction executed with Macquarie Bank Ltd:
  - 90,000t of payable zinc hedged over three years in equal monthly proportions from July 2021 to June 2024 (equivalent to ~108,000t total production)
  - Fixed monthly price of A\$3,717/t achieved for hedged production, net of all fees & costs (equivalent to US\$1.32/lb at 3-year analyst consensus AUD:USD of 0.78)
  - Unsecured hedge transaction with no margin calls
  - Hedge value represents A\$335 million in future zinc sales from the Century Mine
- Hedge represents ~25% of forecast annual production (based on FY21 guidance)
- The US\$1.32/lb equivalent price, guaranteed for three years for hedged production, is higher than any three-year average USD zinc price in history



**New Century Resources Limited (NCZ, New Century or the Company) (ASX:NCZ)** is pleased to announce the execution of a major, long term, unsecured zinc hedging transaction with Macquarie Bank Ltd covering the sale of a specified tonnage of zinc metal contained within the zinc concentrate produced at the Century Zinc Mine in Queensland.

The Company has executed fixed price, Australian dollar swaps for a total of 90,000t of payable zinc metal, spread in equal monthly volumes of 2,500t over three years from 1 July 2021 to 30 June 2024. The weighted average price achieved, net of all fees and costs, is A\$3,717/t, equivalent to US\$1.32/lb (or US\$2,900/t) at the three-year analyst consensus AUD:USD exchange rate of 0.78<sup>1</sup>. The total value of the transaction is A\$335 million in future expected sales from the Century Mine.

The transactions will be settled against the monthly average of the daily LME Official Cash Price for Special High-Grade Zinc which matches the underlying terms of the Company's physical sales contracts. The settlement will be made in Australian dollars at the prevailing exchange rate.

The swaps are unsecured and without margin calls.

Commenting on the transaction, New Century Managing Director Patrick Walta said:

*“The successful execution of this three-year hedging program is an important achievement for the business, locking in the current buoyant zinc price and underpinning strong operational cashflow for the long term.*

*The zinc price has appreciated nearly 70% from its 2020 lows and New Century has now secured this price over a material portion of its production. The zinc price has never averaged above the Company's achieved hedge price for a three-year duration.*

*This hedging, combined with the 2021 zinc concentrate benchmark treatment charge being 47% lower than in 2020, puts New Century in a strong position to deliver growing EBITDA and operational cashflow for shareholders.”*

New Century will continue to assess opportunities for further hedging pending prevailing market conditions.

This announcement is approved for release by the Board of New Century Resources Limited.

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<sup>1</sup> Source: Bloomberg.