

## QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING 30<sup>th</sup> JUNE 2022

### LITHIUM JOINT VENTURE WITH EV METALS GROUP

#### Our Vision

Zenith has a vision to maximise shareholder value through superior project generation and exploration activities.

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

#### **Corporate Details** **30<sup>th</sup> Jun 2022**

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

Issued Shares	343.9M
Unlisted options	14.3M
Mkt. Cap. (\$0.325)	A\$112M
Cash (30 <sup>th</sup> Jun 22)	A\$7.9M
Equities (30 <sup>th</sup> Jun 22)	A\$7.3M
Debt	Nil

#### **Directors**

David Ledger	Exec Chairman
Michael Clifford	Managing Director
Stan Macdonald	Non-Exec Director
Julian Goldsworthy	Non-Exec Director
Emma Scotney	Non-Exec Director
Nic Ong	Co Sec
Nick Bishop	CFO

#### **Major Shareholders**

Directors	3.4%
HSBC Custody Nom.	9.5%
Citicorp Nom	8.3%
BNP Paribas Nom	7.8%

#### **Contact Us**

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- Zenith Lithium Joint Venture with EV Metals Group (EVM) – ASX Release 14-Jan-22.
  - Maiden drill test at the Split Rocks project (WA) returned outstanding lithium results including: ZVRC002 - 20m @ 1.0% Li<sub>2</sub>O, incl. 10m @ 1.7% Li<sub>2</sub>O (ASX Release 4-Apr-22)
  - A program of 45 initial RC holes (~9,000 metres) has commenced to follow-up on the thick, high-grade lithium mineralisation (ASX Release 19-Jul-22).
  - Drilling intersected significant lithium results, in thick pegmatites, at the Waratah Well project (WA), including 7m @ 0.67% Li<sub>2</sub>O.
  - Follow-up drilling (~2,000m) planned at Waratah Well.
- Australian Lithium Alliance - EV Metals (60% : ZNC 40%) - Drilling (~2,400m) scheduled to test the Mt Ida North lithium target.

### GOLD & BASE METAL PROJECTS

- ZNC is planning to demerge the non-Battery Minerals projects, via a new company to be listed on ASX (refer to page 4 for further details).
- Split Rocks – Dulcie Far North drill results returned significant high-grade gold, incl: 7m @ 7.8 g/t Au, 5m @ 7.4 g/t Au, 8m @ 4.2 g/t Au, 5m @ 4.9 g/t Au, 6m @ 2.8 g/t Au and 16m @ 1.4 g/t Au (ASX Release 14-Jun-22).
- A 50,000m drill program commenced early 2022 at the Earraheedy JV project. To date 26,000m of drilling has been completed with 11,000 assays pending (ASX Release 18-Jul-22).
  - Tonka Prospect is focus area, targeting new high-grade Colorado Zone. Results incl. 7m @ 10.71% Zn + Pb.
- Develin Creek copper-zinc project in Queensland - new results from resource update drilling at the Sulphide City deposit incl: 9m @ 1.8% Cu, 18.1% Zn, 0.6 g/t Au & 28.4 g/t Ag (ASX Release 7-Jun-22)

### CORPORATE

- Appointment of new Board members – Mr David Ledger – Executive Chairman and Ms Emma Scotney Non-Executive Director.
- Cash balance of \$7.9M at the end of the quarter. Equity investments held by Zenith worth approximately \$7.3M include 3.8 million ASX:RTR & 43.9 million AIM:BHL shares.

# ZENITH LITHIUM JOINT VENTURE

Zenith is transitioning to a pure lithium company to refocus on minerals containing lithium and related metals required for rechargeable lithium-ion batteries for electric vehicles and renewable energy storage ("Battery Minerals"), backed by a new alliance with the EV Metals Group (EVM), as detailed in ASX Release 14-Jan-22. Key commercial terms of the Zenith Lithium Joint Venture with EVM include:

- EVM may earn a 60% interest in the lithium rights in two initial 100% owned Zenith projects, namely Waratah Well and Split Rocks (Figure 1), by sole funding the completion of a feasibility study within 24 months, with Zenith retaining a 40% project share.

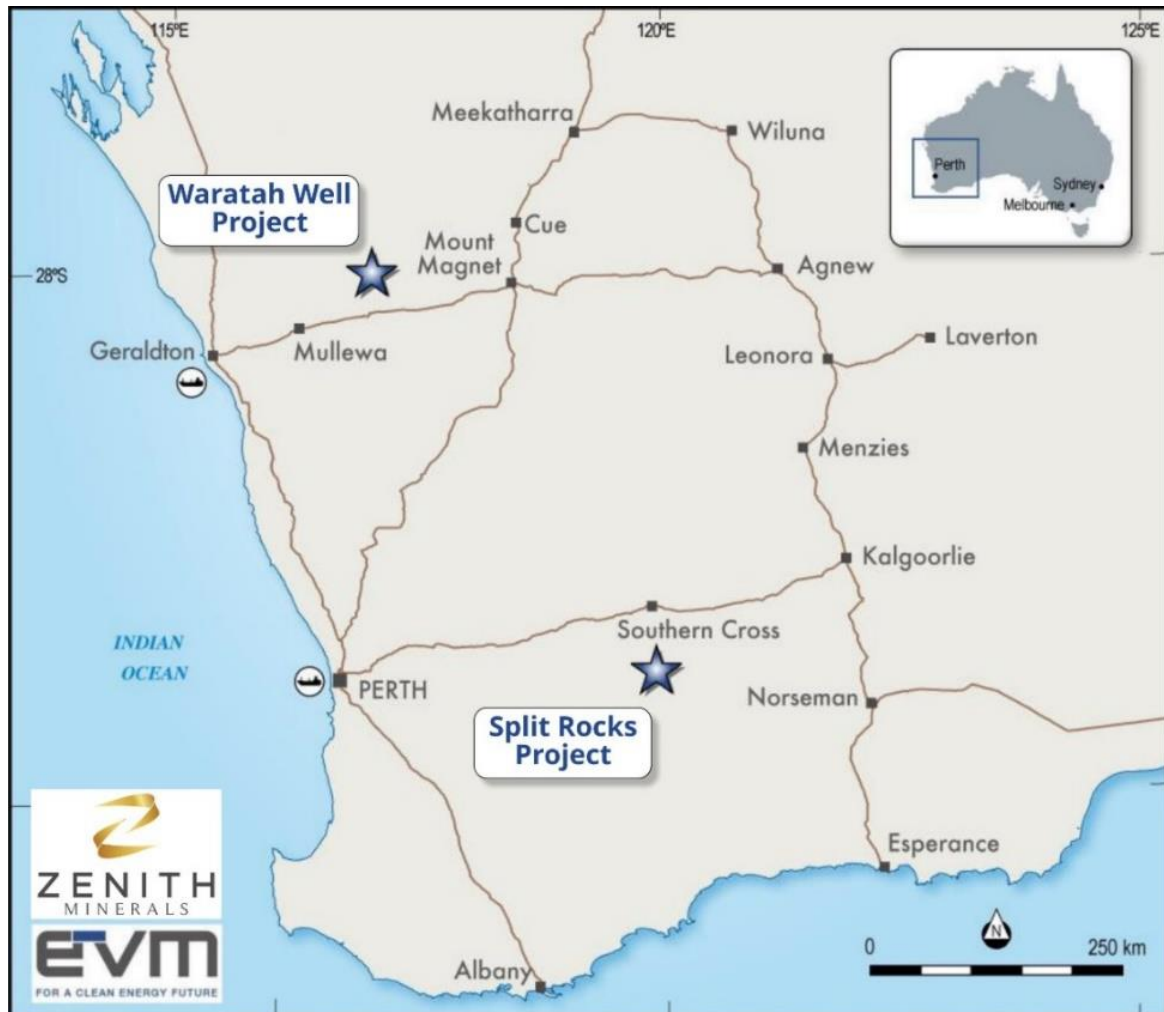


Figure 1: Zenith Lithium Joint Venture - Project Locations

- On and from completion of a feasibility study, Zenith and EVM will form a joint venture in respect of the project lithium rights. EVM will sole fund expenditure to a decision to mine, following which the parties will be required to fund future joint venture expenditure in accordance with their respective percentage shares.
- EVM must arrange all financing for the development, construction and commissioning of any future mine including Zenith's share. Zenith must repay its proportionate share of the project finance including interest from the sale of its proportionate share of minerals produced.
- EVM to spend a minimum of A\$7M on exploration on the projects, within 24 months, before being able to voluntarily withdraw provided that if EVM does not complete a feasibility study within 24 months it will be deemed to have withdrawn and will not earn an interest in the project lithium rights.
- The agreement includes a joint venture over Zenith's Split Rocks and Waratah Well projects in Western Australia, as well as a non-exclusive right to bring additional projects to the joint venture by either party, to explore for lithium/EV metals.

## SPLIT ROCKS LITHIUM-TANTALUM PROJECT – WA (EVM Earning 60%)

Zenith has been systematically exploring the Split Rocks project, with landholdings of approximately 660 sqkm in the Forrestania greenstone belt, for lithium. This emerging lithium district is host to SQM-Wesfarmers Mt Holland/Earl Grey lithium deposit containing a Measured, Indicated & Inferred Mineral Resource of 189Mt @ 1.5% Li<sub>2</sub>O (66Mt @ 1.58 % Li<sub>2</sub>O Measured, 106Mt @ 1.52% Li<sub>2</sub>O Indicated and 17Mt @ 1.11% Li<sub>2</sub>O Inferred) (reported in KDR:ASX Release 19-Mar-2018).

An initial program of 28 RC drill holes was completed to test 7 pegmatite targets: Rio (4 holes), Dulcie West (4 holes), Estrela (2 holes), British Hills East (7 holes), Pointer 7 (5 holes), Firebreak North (2 holes) and Firebreak South (4 holes) part of the Split Rocks project in Western Australia (ASX Release 4-Apr-22) – Figure 2.

Assays for the **Rio** pegmatite target (the first target drill tested in the current program), returned wide, high-grade lithium mineralisation. A single line of 4 RC holes (ZVRC001 – 004) was drilled at 200m spacing to follow-up on historical diamond drilling that intersected a flat-lying pegmatite, located 400m northwest. The pegmatite, in historical diamond holes, was up to 65m thick with strongly anomalous lithium. Thick pegmatites were intersected in each of the 4 new holes, all containing anomalous lithium levels >0.1%Li<sub>2</sub>O. Individual pegmatites are up to 55m in thickness, assuming a flat lying, stacked interpretation.

Drill hole ZVRC002 intersected an upper and a lower pegmatite. The upper pegmatite contained thick, high-grade lithium eucryptite\* mineralisation (confirmed via XRD analysis of 3 mineralised intervals). Results include:

- **20m @ 1.0% Li<sub>2</sub>O, including 10m @ 1.7% Li<sub>2</sub>O**

*\*Eucryptite is a lithium aluminium silicate mineral with a formula LiAlSiO<sub>4</sub>. The lithia content of pure eucryptite is 11.86% Li<sub>2</sub>O. Spodumene is also a lithium aluminium silicate mineral with a formula LiAlSi<sub>2</sub>O<sub>6</sub>. The theoretical lithia content of pure spodumene is 8.03% Li<sub>2</sub>O. Spodumene accounts for most of the lithium production from pegmatite projects worldwide. Eucryptite is recorded in a number of lithium operations but generally only in small quantities.*

The Company reported results from initial sighter level metallurgical testwork on lithium mineralisation (ASX Release 26-Jul-22). Both sighter flotation testwork and bench scale calcination-leach tests results were extremely positive and confirm the amenability of eucryptite mineralisation to conventional treatment processes and hence confirms the potential of eucryptite as a viable lithium target.

Hole ZVRC002 ended in pegmatite. This lower 38m thick pegmatite zone contains strongly anomalous lithium (>0.1% Li<sub>2</sub>O). Lithium minerals were identified as petalite (via XRD analysis of 1 mineralised interval).

In addition, holes ZVRC001, 003 and 004 all intersected thick pegmatites returning strongly anomalous lithium (>0.1% Li<sub>2</sub>O). Lithium minerals in hole 003 were identified as petalite based on XRD analysis of 2 mineralised intervals.

The follow-up drill program of 45 initial holes will include infill 50m spaced holes as well as step out drilling at various spacings between 100m and 400m.

Split Rocks is a large scale, lithium prospective project with multiple target areas containing thick pegmatites, along strike from the major Mt Holland lithium deposit (Wesfarmers/SQM) – under construction.

Project-wide geochemical screening programs are also underway at Split Rocks with crews working towards systematically sampling all the prospective portions of the 660km<sup>2</sup> land package. Over 4,000 new samples collected to date, with an update on results expected shortly.

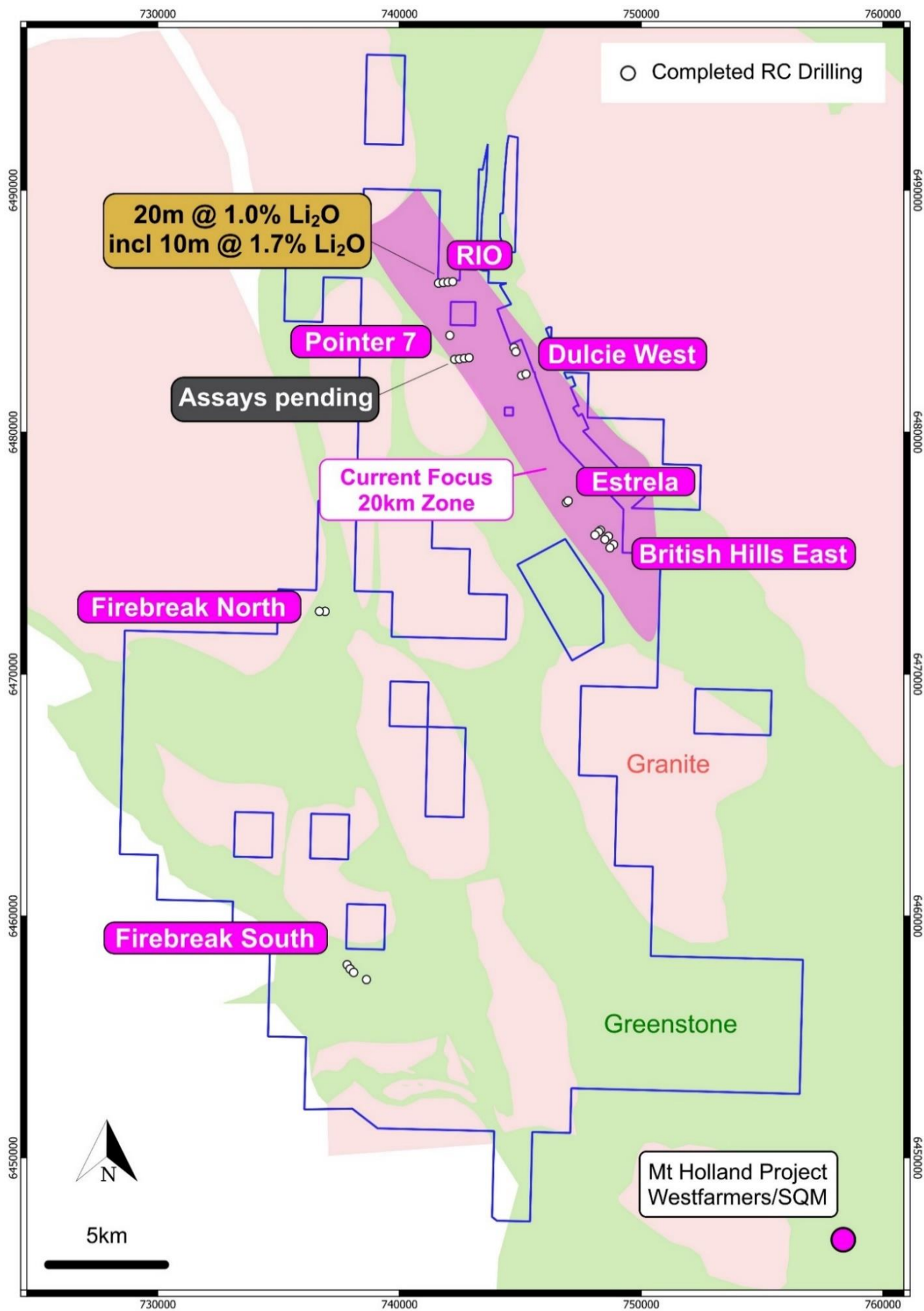


Figure 2: Split Rocks Lithium Drill Targets

## WARATAH WELL LITHIUM-TANTALUM PROJECT – WA (EVM Earning 60%)

An initial phase of 7 wide-spaced (1km spacing) RC drill holes were completed at the Waratah Well project in Western Australia. The project forms part of the Zenith Lithium Joint Venture with EV Metals Group.

That initial drilling program confirmed the presence of widespread lithium bearing pegmatite dykes over a 4km zone, open to the north and east under soil cover (ASX Release 10-Mar-22). Individual drill holes intersected up to 21 cumulative metres of pegmatite, with individual pegmatites up to 11 metres in thickness.

Four holes, over a 4km long zone, intersected strongly anomalous lithium, with the two north-western most holes returning: ZWWRC004 - 12m @ 0.30%Li<sub>2</sub>O and ZWWRC002 - 8m @ 0.22% Li<sub>2</sub>O.

Mineralisation was identified as a mixture of holmquistite and trilithionite, not the target mineral, which is spodumene, but a confirmation of the presence of fertile lithium-caesium-tantalum (LCT) pegmatite dykes.

The area north and east of the lithium mineralised drill holes is soil covered with no outcrop. This area was the priority zone for follow-up testing with four (4) fences of RC drill holes to test for pegmatites under the soil cover.

A total of 47, slimline RC holes (average depth 48m, max depth 90m) were completed for a total of 2,267m (ASX Release 6-Jul-22). The holes were drilled on 4 fences to provide reasonable coverage of the target area. The presence of pegmatites was confirmed, with 22 out of the 47 holes intersecting pegmatites, ranging in thickness from 1m up to 24m, the thickest pegmatite identified in the project area to date.

Significant lithium results were intersected in 3 drill holes. With the higher lithium zones occurring at the base of the pegmatites in fresh rock, implying that the lithium may be depleted in the near surface weathered zone (ASX Release 6-Jul-22). Better results include:

- **ZWWRC029 - 7m @ 0.67% Li<sub>2</sub>O, including 3m @ 1.31% Li<sub>2</sub>O at the base of the 24m thick pegmatite, with the upper portion being strongly weathered.**
- **ZWWRC030 – 22m @ 0.22% Li<sub>2</sub>O including 1m @ 0.61% Li<sub>2</sub>O, upper portion of the pegmatite also weathered**
- **ZWWRC016 – 11m @ 0.13% Li<sub>2</sub>O**

XRD analysis shows that the lithium minerals, of the better mineralised zones, are predominantly petalite with only minor lithium mica and holmquistite. The chemistry and conditions of formation of petalite are more like those of spodumene, than the lithium micas. This is a very positive change in lithium mineralogy compared to the southwest of the prospect area where lithium mica and holmquistite were the only lithium minerals identified.

Hence the intersection of thick pegmatite containing ore grade petalite (**3m @ 1.31% Li<sub>2</sub>O**) is considered as a positive step forward in understanding the zonation of lithium at Waratah Well. Deeper RC drilling is now planned (~2,000m) to test these petalite rich pegmatites at depth and across strike.

### Background on the Waratah Well Project

The Waratah Well Project is located approximately 20km northwest of the regional town of Yalgoo in the Murchison Region of Western Australia.

- Tantalum and locally lithium bearing pegmatite sills and dykes crop out over a 3km x 2km area with a range of dips from 60° to flat lying and thickness from 0.5m to 21m – refer to ASX Release 27-Apr-18, 30-Apr-20 and 3-Nov-21).
- Lithium rock chip sample grades up to 2.09% Li<sub>2</sub>O in the north-western portion of the target area along with high-grade tantalum including 708, 995, 1007, 1166, 1184 and 1221 ppm Ta<sub>2</sub>O<sub>5</sub>.

The key lithium target is the blind lithium spodumene mineralisation beneath the tantalum bearing dykes, a geological architecture similar to that noted at the Bald Hills lithium mine (formerly owned by ASX:TAW). A similar picture is also noted at Liontown's (ASX:LTR) Kathleen Valley lithium project whereby relatively narrow surface pegmatite dykes merge at depth to form a thick flat lying lithium spodumene rich sill (refer to ASX Release 24-Jan-22 for further details).



## AUSTRALIAN LITHIUM ALLIANCE

Zenith and EV Metals Group have also agreed to work together on a non-exclusive basis to assess lithium opportunities in Australia under a strategic initiative referred to herein as the Australian Lithium Alliance (ALA). Zenith and EV Metals Group will each fund their respective share of costs on assessing, exploring and any future development capital on a 40% - 60% basis respectively, with EV Metals Group owning marketing rights to any offtake. Each party will bring to the arrangement their respective technical, financial and management skills to assess lithium opportunities. The Mt Ida North option agreement announced to the ASX on 23-May-22 is being pursued under the ALA partnership.

## MT IDA NORTH LITHIUM PROJECT – WA (ZNC 40%)

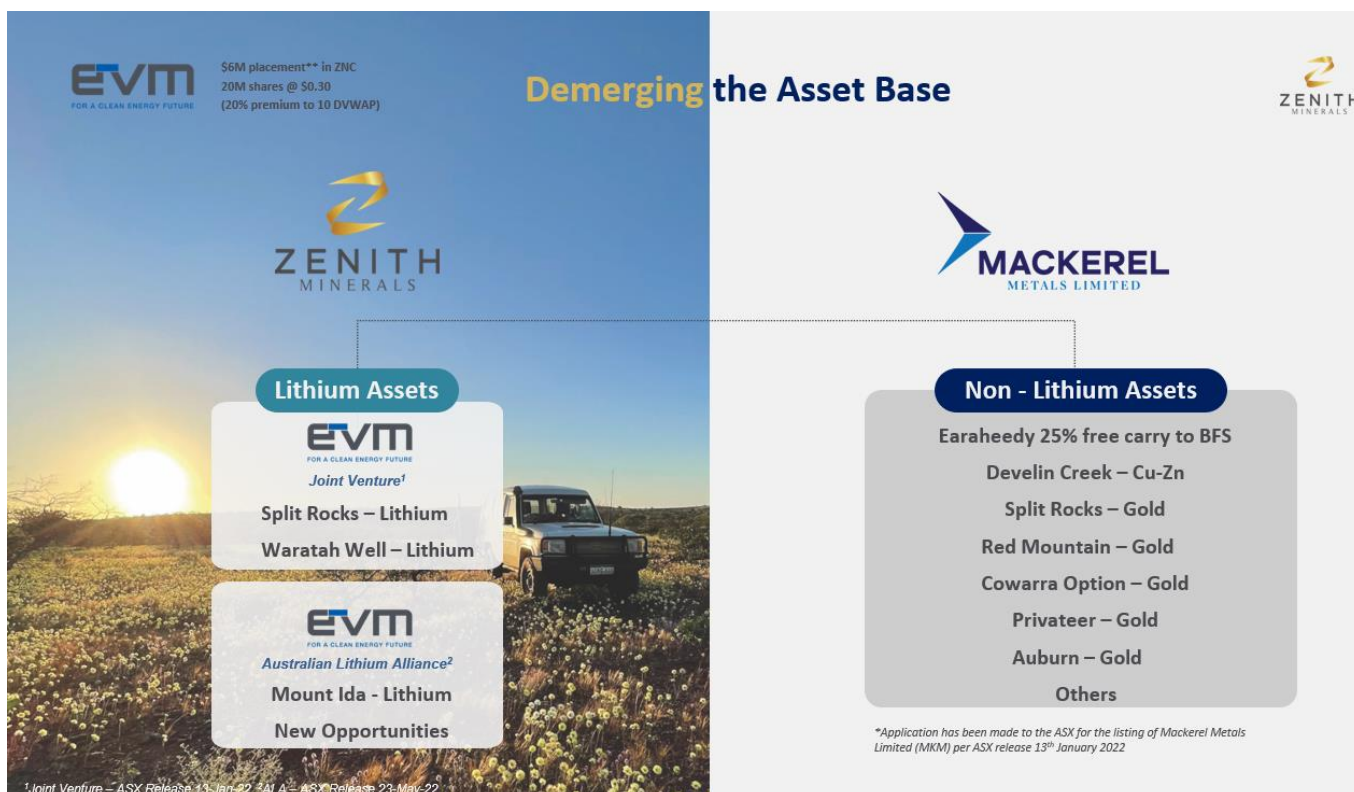
The Mt Ida North Project is located approximately 95km west of the regional town of Leonora in the Goldfields Region of Western Australia.

Reconnaissance mapping and sampling by Zenith's technical team have identified a zone of high rubidium and tantalum bearing pegmatite dykes that crop out over a 1km x 1km area with a cluster with very high density focused in an area 1km x 500m in the southeast of the project area. The generally sub-vertical pegmatite dykes are up to 20m thick and lie close to the greenstone - Copperfield granite contact. The geological setting of Mt Ida North is like that of a recent lithium pegmatite discovery at Mt Ida by ASX listed Red Dirt, located approximately 15km along strike to the south (ASX Release 23-May-22).

Drill testing is planned with an initial 10 to 12-hole RC program scheduled to commence in August.

## DEMERGER OF NON-LITHIUM ASSETS

To allow the Zenith team to focus on activities that generate Battery Minerals projects, ZNC is planning to demerge the non-Battery Minerals projects, including base metals and gold assets into a new Company called Mackerel Metals Limited to be listed on ASX. Any such demerger will be subject to ZNC Board approval, tax advice favourable to ZNC, as well as shareholder, ASX, ASIC and other regulatory approvals. ZNC shareholders will benefit by way of an in-specie distribution of the shares in the new listed Company. Further updates and information on the Demerger will be provided by Zenith in due course.



## GOLD – COPPER & ZINC PROJECT - HIGHLIGHTS

### *Develin Creek Copper-Zinc QLD (ZNC 100%)*

***Sulphide City resource update drilling continues to intersect wide high-grade copper-zinc rich massive sulphides incl: 9m @ 1.8% Cu, 18.1% Zn, 0.6 g/t Au and 28.4 g/t Ag (ZSCCD020)***

***Massive copper - zinc sulphides at the nearby Snook prospect remain open along strike***

***Resource update in progress***

- During the quarter New results from resource update drilling at the Sulphide City deposit include the highest-grade zinc intersection ever for the project:
  - 9m @ 1.8% Cu, 18.1% Zn, 0.6 g/t Au and 28.4 g/t Ag (ZSCCD020) within a wider zone of:
    - 19m @ 1.2% Cu, 11.9% Zn, 0.4 g/t Au and 20.4 g/t Ag (reported intersection is downhole width and the orientation of this very high-grade zone is uncertain and may not represent true width. Further drilling is required).
- A further 5 drill holes were completed around the margins of the Sulphide City deposit, returning 3 additional massive sulphide intersections consistent with previous results (holes ZSCCD018, ZSCCD021 and ZSCRC024).
- Massive copper-zinc sulphide mineralisation remains open to the south of the new intersection in hole ZSCCD018.
- Assays are in addition to those previously reported from the Sulphide City resource program (ASX Release 7-Jan-22), that returned wide high-grade massive copper-zinc sulphides, including:
  - 12m @ 2.6% Cu, 5.2% Zn, 1.4 g/t Au and 73 g/t Ag (ZSCRC003)
  - 12m @ 1.5% Cu, 0.5% Zn, 0.2 g/t Au and 3.6 g/t Ag and
  - 16m @ 1.7% Cu, 0.1 g/t Au and 3.4 g/t Ag (ZSCRC004)
- Resource update drilling at the adjoining Scorpion deposit also returned thick high-grade copper zones (ASX Release 7-Jan-22), including:
  - 21m @ 2.5% Cu, 1.6% Zn, 0.4 g/t Au and 18.0 g/t Ag
  - 20m @ 2.3% Cu, 0.3% Zn, 0.4 g/t Au and 16.2 g/t Ag
  - 18m @ 1.7% Cu, 0.6% Zn, 0.6 g/t Au and 26.3 g/t Ag
- New results are to be incorporated in an updated mineral resource estimate for the Scorpion and Sulphide City deposits, anticipated for delivery early in the 3rd calendar quarter 2022.

### *Red Mountain Gold – QLD (ZNC 100%)*

***Drilling planned to resume in the second half of 2022.***

- Ongoing exploration activity at the 100% owned Red Mountain gold project located in Queensland (ASX Release 19-May-21) continues to provide highly encouraging high-grade gold drill assay results. Drilling to date has outlined a discrete sub-vertical high-grade gold zone (Western Zone) to a vertical depth of 200m, with the zone remaining open at depth.
- In addition, modelling of geophysical data and integration of geological information defined a drill target in the centre of the breccia system (ASX Release 16-Aug-21).
- Drilling is now planned to recommence in the second half of the 2022.

## **Split Rocks Gold Project – WA (ZNC 100%)**

### **Strong RC drill results from Dulcie Far North**

- New results from 17 holes from the Dulcie Far North area show strong gold grades extending into fresh rock beneath near surface gold zones outlined in recent AC/slimline-Reverse Circulation (RC) drilling reported earlier this year. Significant high-grade gold results (ASX Release 14-Jun-22), include:
  - 7m @ 7.8 g/t Au incl 5m @ 10.6 g/t Au
  - 5m @ 7.4 g/t Au and 9m @ 2.0 g/t Au
  - 8m @ 4.2 g/t Au incl 3m @ 10.7 g/t Au
  - 5m @ 4.9 g/t Au incl 2m @ 11.3 g/t Au
  - 6m @ 2.8 g/t Au incl 2m @ 7.3 g/t Au
  - 16m @ 1.4 g/t Au incl 2m @ 8.5 g/t Au
  - 14m @ 1.3 g/t Au incl 1m @ 9.3 g/t Au
  - 15m @ 1.2 g/t Au incl 4m @ 3.5 g/t Au.
- New results are in addition to those released late last year and earlier this year for Dulcie Far North (ASX Releases 30-Sep-21 & 18-Jan-22), that included:
  - 4m @ 10.2 g/t Au (eoh), incl 2m @ 19.8 g/t Au (eoh)
  - 12m @ 2.9 g/t Au
  - 9m @ 1.8 g/t Au incl 2m @ 6.2 g/t Au
- Assay results for a further 11 RC holes from the adjoining Dulcie North, Scott's Grey, Water Bore & Scott's Grey prospects and for 3 diamond core holes that were drilled at the Dulcie Laterite Pit zone are yet to be reported. The diamond core will provide material for ongoing metallurgical testwork, including column leaching.

## **EARAHEEDY ZINC**

### **Major zinc discovery continuing to expand**

Zenith Minerals Ltd (ASX: ZNC) owns a 25% free carried interest in the Earaheedy JV whilst Rumble owns 75%. The project area (E69/3464) covers the contact between the overlying Frere Iron Formation and underlying Yelma Formation of the Earaheedy Basin.

### **Target is very large, near surface open pit zinc-lead-silver mineralisation**

In April 2021 the Earaheedy JV partners each announced a major Zinc-Lead Discovery with 'Tier 1' potential at the Earaheedy Project (refer ASX Releases 19-Apr-21 and 25-May-21).

Within the broader region, Zenith in its own right, controls 100km of prospective mineralised strike which also has the potential to contain multiple large tonnage Zn – Pb deposits (Figure 3).

### **50,000m drill program underway**

- Work to date has been successful in defining very widespread flat-lying zinc-lead mineralised bodies such as Chinook, Tonka and Navajoh as well as defining multiple discrete, continuous high-grade zinc-lead zones including: Kalitan, Spur, Colorado and Magazine, that remain open ended.
- A major 50,000m RC drill program commenced in early 2022 targeting high-grade zinc domains within the Earaheedy JV project area.
- To date 26,000m of drilling has been completed with 11,000 assays pending, and a further 24,000m planned to be completed in 2022.

### **Focus on high-grade zinc zones**



- The Tonka Prospect is a focus area, targeting the newly identified east-west trending High-Grade Colorado Zone.
- Two previously reported initial holes within the Colorado Zone returned:
  - EHRC515 – 73m @ 3.07% Zn + Pb from 106m
    - Including 13m @ 5.38% Zn + Pb from 108m
    - Including 19m @ 3.48% Zn + Pb from 132m
  - EHRC518 – 7m @ 10.71% Zn + Pb from 137m
    - Including 3m @ 19.93% Zn + Pb from 138m
- The footprint of the zinc sulphide dominant Tonka-Navajoh deposit is 8km by 2km, remaining open in all directions.
- For further details refer to ZNC and RTR ASX Releases 18-Jul-22.

**Footprint of the zinc sulphide dominant Tonka-Navajoh deposit is 8km by 2km, remaining open in all directions.**

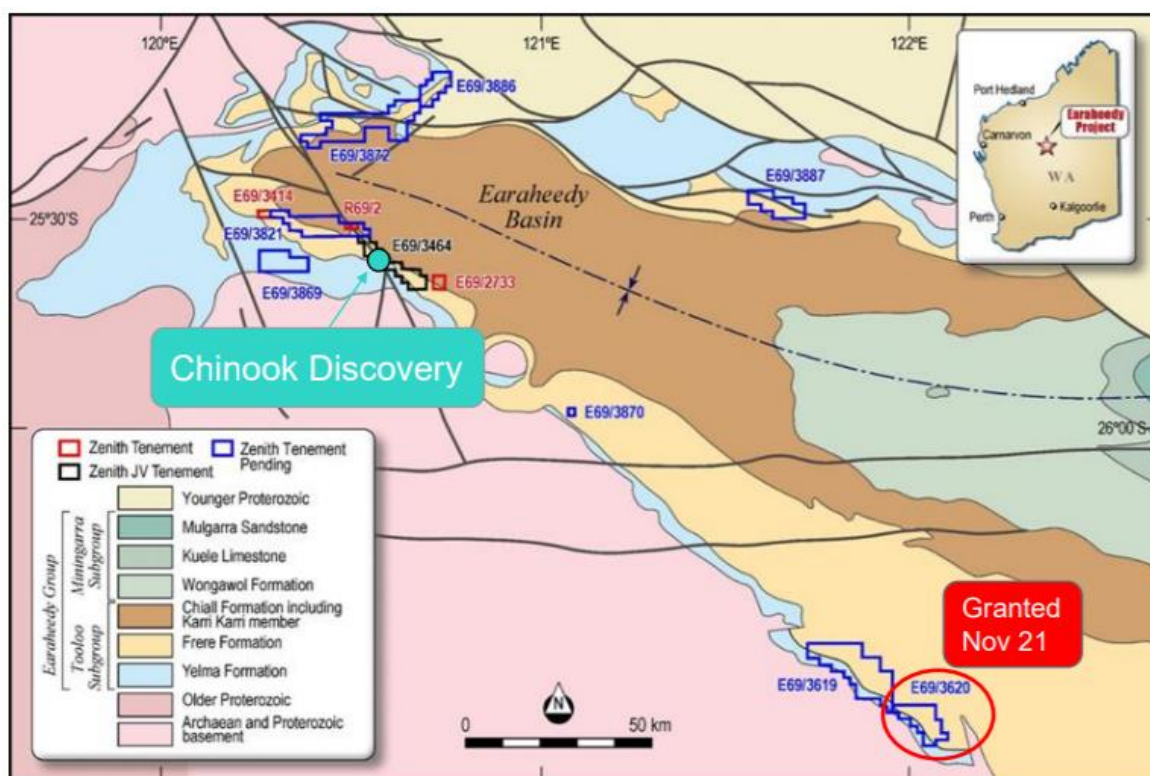


Figure 3: Earaheedy Zinc Project Zenith Tenure

## CORPORATE

### Board

The Company appointed two new Board members: Mr David Ledger as Executive Chairman and Ms Emma Scotney as Non-Executive Director.

### Capital

As at 30-Jun-22 the Company had a cash balance of \$7.9M at the end of the quarter.

Equity investments held by Zenith as at 30-Jun-22 were worth approximately \$7.3M include 3.8 million ASX:RTR & 43.9 million LON:BHL shares.

The Company has sufficient funds to continue with its budgeted activities on its very active wholly owned projects. The Split Rocks - Lithium, Waratah Well – Lithium and Earaheedy Zinc JV are funded by their respective partners who are planning very active 2022 programs.

At section 6.1 of the Appendix 5B, the payments to Directors of the Company for the quarter ended 30-Jun-2022 were for gross wages, fees and superannuation.

### COVID-19

In relation to COVID-19, Zenith's Board is mindful of the significant impact the virus is having on the community and is continuing to assess the potential risks associated with its activities. Zenith's projects are in remote country areas or on grazing properties where Zenith's crew are geographically isolated.

The Company continues to act on advice provided by the Federal and State Governments with the health and safety of Zenith's crew, contractors, and local stakeholders a priority. Zenith has in place a COVID-19 site health management plan and requires that all its field crews comply with the requirements of that plan. In addition, the Company is managing projects across state borders and is ensuring it complies with both Federal and State based travel and border restrictions by employing, where available local staff and using locally based contractors, consultants.

## BACKGROUND ON GOLD-COPPER & ZINC PROJECTS

In addition to the Zenith Lithium Joint Venture the Company is focused on exploration & evaluation of 5 gold projects and 2 base metal projects in Australia.



Project highlights and activities for the quarter for Develin Creek, Earacheedy, Split Rocks and Red Mountain Projects are included in the preceding section of this report.



## DEVELIN CREEK COPPER- ZINC PROJECT – Queensland (Zenith 100%)

### Develin Creek Project Background

The Develin Creek project contains a VMS copper-zinc deposit with an Inferred Mineral Resource (JORC 2012) of: 2.57Mt @ 1.76% copper, 2.01% zinc, 0.24g/t gold and 9.6g/t silver (2.62% CuEq) released to ASX on 15-Feb-2015. A three rig drilling campaign commenced at Develin Creek in September 2021 to test copper-zinc targets at Wilsons North, Snook and four targets surrounding the existing Sulphide City JORC massive copper-zinc sulphide deposits (Figure 4; refer ASX Release 2-Sep-21).

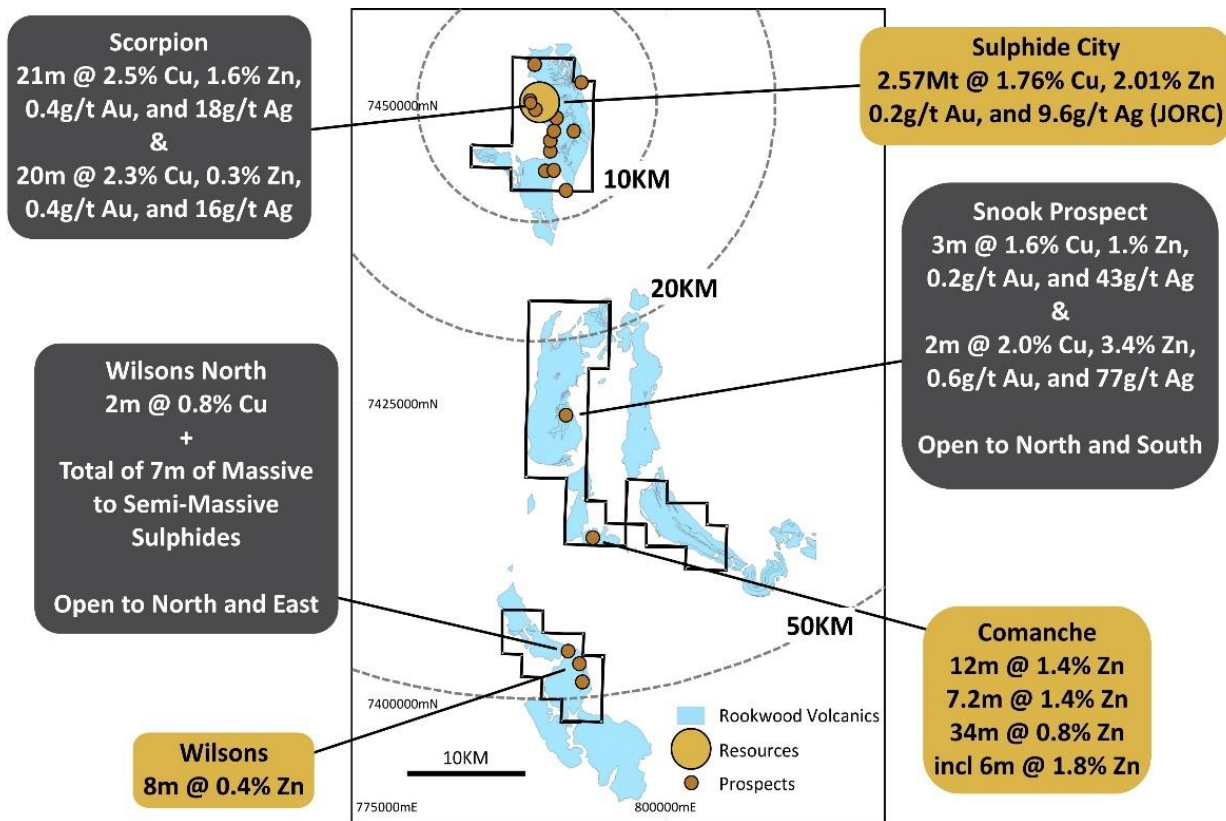


Figure 4: Develin Creek Project Outline and Areas Subject to Drill Testing in 2021

In addition, resource update drilling was also completed at the Sulphide City and Scorpion deposits where Zenith drilling returned strong massive copper-zinc sulphides in a twin hole program including (ASX Release 5-Jul-21), including:

- 34m @ 3.5% Cu+Zn, incl 10m @ 6.0% Cu+Zn, and
- 29m @ 3.5% Cu+Zn, incl 12.3m @ 6.7% Cu+Zn

This drilling program is part of a broader plan to build upon the existing JORC resource and add potential tonnage to the Develin Creek copper-zinc volcanogenic massive sulphide (VMS) inventory.

Zenith's technical team outlined the Snook target located 30km south of the existing JORC resources. An initial maiden drill test of 7 shallow RC holes has been a success, with hole ZSRC001 intersecting 3m of massive and semi-massive sulphides close to surface, at a depth of only 20m downhole. This zone returned: 3m @ 1.57% Cu, 1.07% Zn, 0.37% Pb, 43 g/t Ag and 0.2 g/t Au, including 2m of massive sulphide grading: 1.95% Cu, 1.34% Zn, 0.48% Pb, 55 g/t Ag and 0.3 g/t Au (ASX Release 7-Dec-20). Subsequent follow-up drilling has now extended the footprint of massive sulphides to a length of 150m (ASX Release 16-Dec-21 and 24-Mar-22), with the zone remaining open along strike to the south (Figures 5). The Snook drill program and that completed at the nearby Wilsons North prospect now confirm a cluster of massive sulphides is present within the Company's landholdings, reaffirming the highly prospective nature of the Develin Creek project.

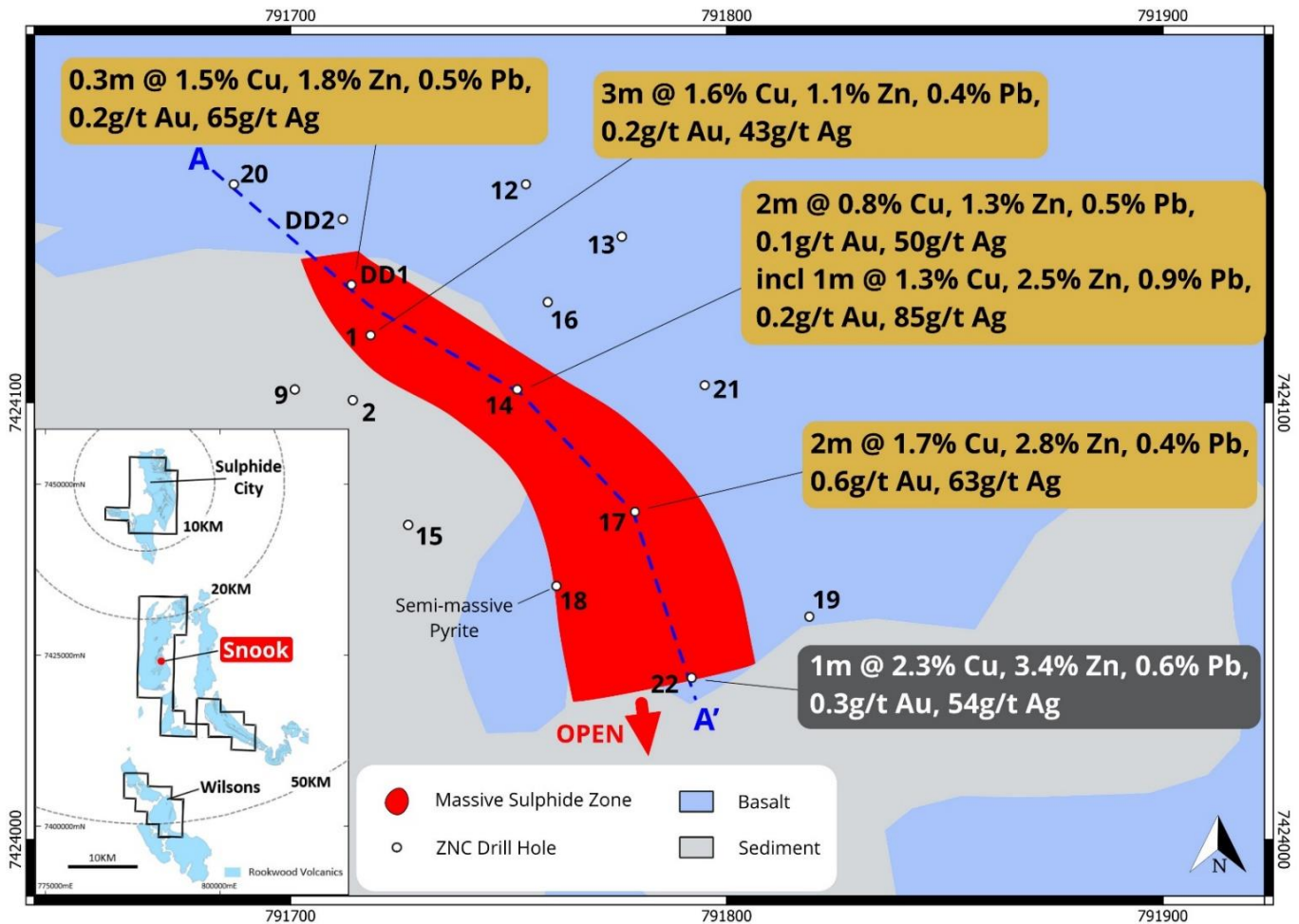


Figure 5: Snook Prospect – Drill Hole Location Map showing Significant Intersections

### Wilsons North

Drilling at Wilsons returned multiple intersections of massive pyrite which commonly occurs in association with the base metal rich massive sulphides at the Sulphide City deposit. Further work is required to vector in on the base metal rich portion of this system.

## RED MOUNTAIN GOLD-SILVER PROJECT – Queensland (Zenith 100%)

### Background on Red Mountain Gold Project

### Red Mountain – Location Map

A zone of surface gold and silver mineralisation was discovered by Zenith at Red Mountain in SE Queensland, in a previously unrecognised felsic volcanic breccia complex comprising rhyolite radial dykes, rhyolite ring breccia as well as granite and gabbro breccias, first identified by Zenith's field team.

Highly encouraging gold and silver rock chip sample results up to 2.01 g/t gold and 52.5 g/t silver are supported by systematic geochemical sampling that outlined a large 2km by 1.5km zoned soil anomaly with peak soil gold result of 2.2 g/t Au, refer to ZNC ASX release 24-Sep-19.

Ongoing exploration activity at the 100% owned Red Mountain gold project located in Queensland (see ASX release 19-May-21) continues to provide highly encouraging high-grade gold drill assay results.

Drilling to date has outlined a discrete sub-vertical high-grade gold zone (Western Zone) to a vertical depth of 200m, with the zone remaining open at depth below hole ZRMDD044 where a wide zone of gold (88m @ 0.3 g/t Au from 223m to 311m) was intersected associated with rhyolite dykes.



Results are in addition to those previously announced for the Red Mountain project – Western Zone (ASX Releases 3-Aug-20 & 13-Oct-20, 9-Nov-20, 21-Jan-21, 13-May-21), including:

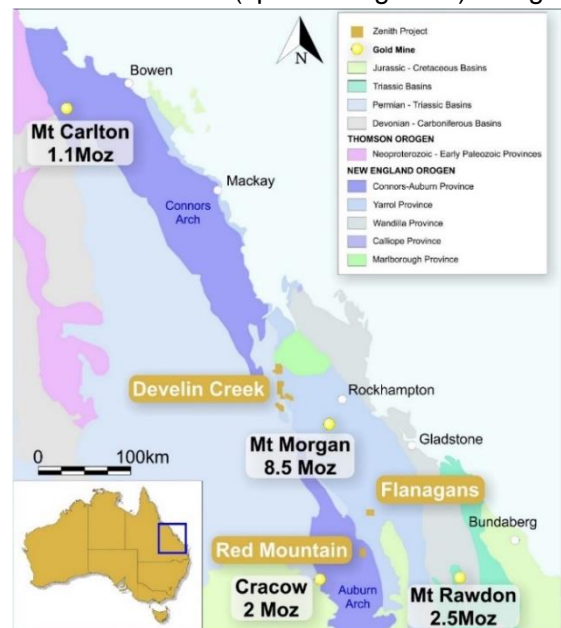
- 13m @ 8.0 g/t Au from surface, incl. 6m @ 16.7 g/t Au
- 15m @ 3.5 g/t Au, incl. 2m @ 22.4 g/t Au
- 12m @ 4.9 g/t Au, incl. 6m @ 9.4 g/t Au
- 5m @ 10.4 g/t Au, incl 1m @ 49.9 g/t Au
- 5m @ 3.5 g/t Au & 54.3 g/t Ag
- 10m @ 2.7 g/t Au from surface, incl. 4m @ 4.9 g/t Au
- 7m @ 4.4 g/t Au

Strong silver (Ag) grades associated with gold mineralisation, include: 15m @ 0.4 g/t Au with 20.4 g/t Ag and 4m @ 0.5 g/t Au with 82.0 g/t Ag, 5m @ 3.5 g/t Au with 54.3 g/t Ag and 5m @ 0.3 g/t Au with 30.6 g/t Ag.

The Western Zone forms a NE plunging zone ~250m long on the northeast margin of the Red Mountain breccia pipe. High-grade gold mineralisation is associated with a stockwork of base metal (sphalerite-galena) stringer veins in altered diorite, granodiorite and granite on the margin of a rhyolite breccia.

The Red Mountain project is located between two gold mines, Cracow (Aeris Resources Limited (ASX:AUR) and Mount Rawdon (ASX:EVN). Cracow is a low-sulphidation epithermal gold deposit whilst Mount Rawdon is described in the literature as an epizonal intrusion-related gold deposit.

Mineralisation at Red Mountain is considered by Zenith to be analogous to known gold deposits in Queensland. Evidence includes a zoned system with geochemistry like that documented at third party owned Queensland gold deposits such as Mt Wright which is located 65km east of Charters Towers and the nearby Mount Rawdon Gold Mine. The Mt Wright gold deposit was exploited by Resolute Mining Limited as an underground operation, with mineralisation having a strike length of only 200m but vertical extent of over 1.2km.



### Planned Program

Gold mineralisation (Western High-Grade Zone) remains open vertically below the current drilling and will be the focus of further planned step-out testing along with drill testing of the copper-gold target in the core of the breccia pipe.

## SPLIT ROCKS GOLD PROJECT – Western Australia (Zenith 100%)

### Background on Split Rocks Project - Gold

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 (Figure 6).

A major targeting exercise by the Company's geological team identified 18 high-quality gold drill targets at Split Rocks, in the north-eastern sector of the Company's project area (ASX Release 2-Sept-20).



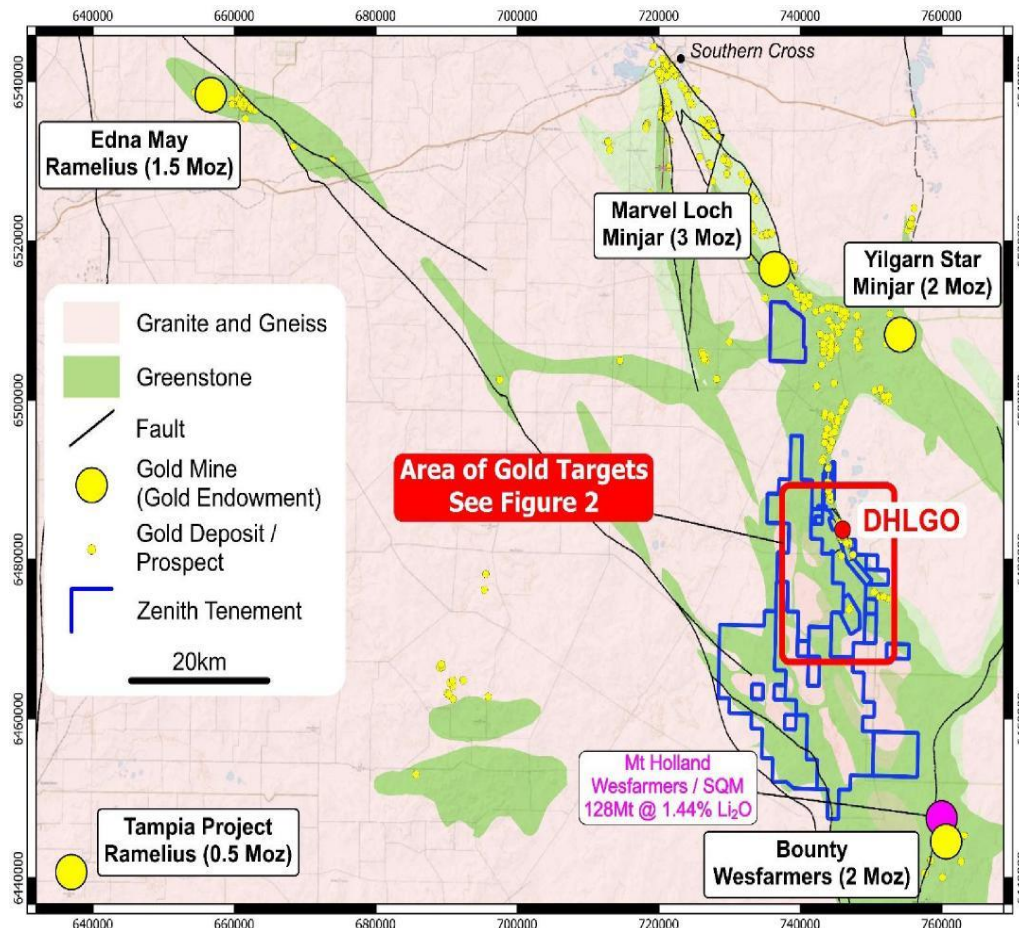


Figure 6: Split Rocks Project Location Map Showing Zenith tenements, Dulcie Heap Leach Gold Operation (DHLGO\*) Prospect and Regional Gold Endowment. (\*Gold rights below 6m subject to option agreement).

Drilling to date has tested 14 targets with outstanding results returned to date at 6 prospects – Figure 7 (ASX Releases 5-Aug-20, 2-Sep-20, 19-Oct-20, 28-Oct-20, 15-Jan-21, 11-Mar-21, 21-Apr-21, 24-Jun-21, 13-Jul-21, 30-Sep-21, 16-Jan-22):

- Dulcie North: 32m @ 9.4 g/t Au, incl 9m @ 31.4 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
  - 3m @ 17.9 g/t Au
- Estrela Prospect: 2m @ 9.8 g/t Au
- Dulcie Far North: 7m @ 7.8 g/t Au incl 5m @ 10.6 g/t Au, 5m @ 5.6 g/t Au incl. 4m @ 6.8 g/t Au, 4m @ 10.2 g/t Au
- Water Bore: 3m @ 6.6 g/t Au
- Scott's Grey: 8m @ 4.1 g/t Au, 12m @ 1.7 g/t Au

Results from 17 holes from the Dulcie Far North area were received during the quarter that show strong gold grades extending into fresh rock beneath near surface gold zones outlined in recent AC/slimline-Reverse Circulation (RC) drilling reported earlier this year (ASX Release 14-Jun-22). Significant new high-grade gold results, include:

- 7m @ 7.8 g/t Au incl 5m @ 10.6 g/t Au
- 5m @ 7.4 g/t Au and 9m @ 2.0 g/t Au
- 8m @ 4.2 g/t Au incl 3m @ 10.7 g/t Au
- 5m @ 4.9 g/t Au incl 2m @ 11.3 g/t Au
- 6m @ 2.8 g/t Au incl 2m @ 7.3 g/t Au
- 16m @ 1.4 g/t Au incl 2m @ 8.5 g/t Au
- 14m @ 1.3 g/t Au incl 1m @ 9.3 g/t Au
- 15m @ 1.2 g/t Au incl 4m @ 3.5 g/t Au.

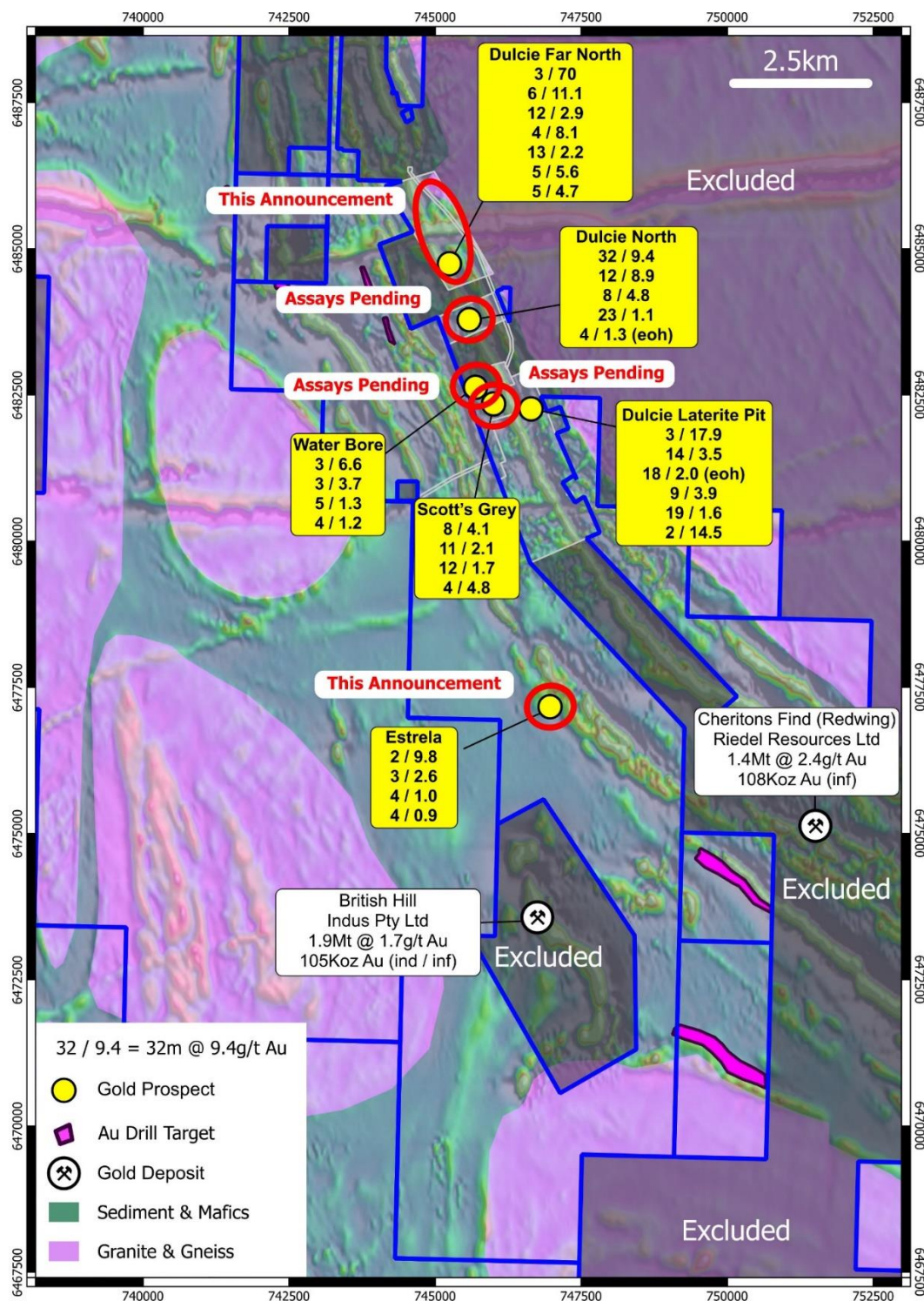


Figure 7: Split Rocks Project Gold Targets and Significant RC - Aircore Drill Results (yellow captions) showing gold drill targets, and areas of Planned Drilling

## Planned Programs

Assay results for a further 11 RC holes from the adjoining Dulcie North, Scott's Grey, Water Bore & Scott's Grey prospects and for 3 diamond core holes that were drilled at the Dulcie Laterite Pit zone are yet to be reported. The diamond core will provide material for ongoing metallurgical testwork, including column leaching.

*Note Zenith retains gold rights at Dulcie Far North, Dulcie North, Dulcie Laterite Pit Zone and Scott's Grey below 6m, subject to the Dulcie option agreement (refer to ASX Release 21-Mar-19).*

## PRIVATEER GOLD PROJECT – Queensland (Zenith 100%)

Privateer gold project in Queensland secured via 100% owned exploration licence (ASX Release 30-Mar-22).

Zenith sampling has confirmed the presence of high-grade gold at surface, with rock samples returning up to 3.5 g/t Au and 2.5 g/t Ag associated with epithermal style quartz veining.

Limited sparse historic (30 years ago) shallow drilling returned very high-grade, near surface gold and silver results including:

- 0.5m @ 28.5 g/t Au and 35 g/t Ag from only 58m below surface that has never been followed up (diamond drill hole).
- 3m @ 2.6g/t Au from 38m downhole (percussion hole)
- 2m @ 1.0 g/t Au and 70.5 g/t Ag from 64m downhole

The geochemical association, host rocks and quartz vein textures at Privateer point towards a low-sulphidation epithermal gold style geological target with a well know analogue being the Cracow Gold Mine located some 70km to the west.

## AUBURN GOLD PROJECT – Queensland (Zenith 100%)

Auburn gold project in Queensland secured via 100% owned exploration licence (ASX Release 12-Apr-22).

Zenith's reconnaissance sampling has confirmed the presence of high-grade gold at surface. From a total of 49 rock samples, 9 returned results greater than 1 g/t Au with a peak value of 23.3 g/t Au.

An initial soil sampling program over the central portion of the project area has defined several strong gold anomalies. Three of which are associated with and extending from historic gold mines, with strike lengths of up to 600m, and another three anomalies away from known gold workings. Peak soil result of 1.1 g/t Au.

Government mining records confirm historic gold mining in the 1880s up to 1915. Many of these old workings were covered by small mining leases in the 1970s and into the 1980s.

No on-ground exploration has been reported for over 25 years.

Mineralisation is hosted within sheared granitic rocks. All gold mineralised rock specimens (> 1 g/t Au) are strongly altered with no or very rare quartz veining. Host rocks, alteration, paucity of quartz veining and trace elements indicate potential for an intrusion related gold system (IRGS).

## PARTNERED PROJECTS

The Company has continued to implement its strategy of being an exploration project generator. Projects are either advanced by the Company's experienced team applying innovative exploration techniques or by partners which have the technical and financial capability, depending on how the Board believes shareholders' best interests are served.

Current joint ventures where partners are funding exploration include:

- Waratah Well & Split Rocks – Lithium (EVM)
- Earahedy Zinc – Australia (Rumble ASX:RTR)
- Kavaklitepe Gold – Turkey

Increased Spending  
Increasing Chance of Success  
Sharing Risk





## EARAHEEDY ZINC PROJECT – WA (Zenith 25% free carry to end BFS, ASX: RTR 75%)

### Activities During the Quarter

A major 50,000m RC drill program commenced in early 2022 targeting high-grade zinc domains within the Earaaheedy JV project area. To date 26,000m of drilling has been completed with 11,000 assays pending, and a further 24,000m planned to be completed in 2022.

### Earaaheedy Project Background

The Earaaheedy project is located approximately 110km north of Wiluna, Western Australia. The project area covers the inferred unconformity contact between the overlying Frere Iron Formation and underlying Yelma Formation of the Palaeoproterozoic Earaaheedy Basin. Zn-Pb-Ag mineralisation has been defined at three prospects, Chinook, Navajoh and Tonka, located approximately 18km apart, that may potentially join up upon further drill testing (ASX Release 9-Mar-22). Mineralisation is hosted within near flat lying sedimentary rocks.

### Earaaheedy Joint Venture

ZNC owns a 25% free carried interest in the EJV whilst Rumble owns 75%. The project area (E69/3464) covers the inferred unconformity contact between the overlying Frere Iron Formation and underlying Yelma Formation of the Palaeoproterozoic Earaaheedy Basin.

### Exploration Target

RTR's Zn-Pb Exploration Target for the Earaaheedy Project is between 100 to 120 million tonnes at a grade ranging between 3.5% Zn-Pb to 4.5% Zn-Pb. The Exploration Target is at a shallow depth (80m), and over 40kms of prospective strike (completely open) has been defined within the Earaaheedy Project (RTR ASX Release 8-Jul-21).

*The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target, being conceptual in nature, takes no account of geological complexity, possible mining method or metallurgical recovery factors.*

The Exploration Target has been estimated to provide an assessment of the potential for large-scale Zn-Pb deposits within the Earaaheedy Project. The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code.

Earaaheedy Zn-Pb Project – Exploration Target		
Range	Tonnes	Grade
High	120,000,000	4.5% Zn+Pb
Low	100,000,000	3.5% Zn+Pb

The Exploration Target is based on the current geological understanding of the mineralisation geometry, continuity of mineralisation and regional geology. This understanding is provided by an extensive drill hole database, regional mapping, coupled with understanding of the host stratigraphic sequence and a feasibility study completed at the nearby Paroo Pb deposit. Included in the data on which this exploration target has been prepared is recent RC drilling of 17 holes for approximately 2,500m (RC/Diamond) (assays returned for 4 and 13 holes assays pending), 30 holes for 2,690m (three RC stages), 33 holes for 3,593m recently completed and diamond drilling of 4 holes for 1,199.8m completed by Rumble along with 64 historic RC drill holes completed within the project area (E69/3464) by previous explorers (refer historical exploration results in previous RTR ASX announcements dated 5-Feb-19 and 12-Oct-17, 23-January-20 which continue to apply and have not materially changed).

Some of the considerations in respect of the estimation of the exploration target include:

- Drilling results have demonstrated strong continuity of shallow, flat lying mineralisation
- Over 40km's of prospective strike and open
- Minimum 600m of width (based on shallow 7.5° and shallow depth to 120m, based on drilling results.
- True width (thickness) of mineralisation up to 52 metres received in drilling results, and
- Specific gravity (SG) of 2.5 (world average SG of sandstone – not accounting for metal).

RTR intends to test the Exploration Target with drilling that is expected to extend over a 12-month period. Grade ranges have been either estimated or assigned from lower and upper grades of mineralisation received in drilling results. A classification is not applicable for an Exploration Target.

## COWARRA GOLD PROJECT – New South Wales (Zenith 22.3%, earning up to 47%)

### Activities During the Quarter

A 10-hole RC program for a total of ~1,200m was completed during the quarter, with 7 holes completed at the Victoria prospect, 2 at Democrat and 1 at the King prospect. Assays results are anticipated in late-August 2022.

### Cowarra Project Background

The Cowarra gold project is located between Canberra and Cooma and consists of one granted exploration licence and comprises multiple gold zones hosted in Lachlan Orogenic Belt sedimentary rocks associated with gold mineralised strike extensive shear zones. Host rocks and structural setting are like that of some of the major Victorian gold deposits.

Previous drilling results from the Cowarra-Victoria gold deposit include:

- 35m @ 2.3 g/t Au from 23m depth in CRC001
- 15m @ 4.2 g/t Au from 57m depth in CRC022

Multiple regional prospects and targets extend for over 8km of strike around the Victoria gold deposit with rock chip sampling up to 23 g/t Au and previous drill results providing significant project upside, including:

- Democrat Prospect
  - 4m @ 10.5 g/t Au in CRC029
  - 12m @ 1.9 g/t Au in CRC013
- Ambassador Prospect
  - 8.1m @ 4.3 g/t Au in 10CWD-A1
  - 1m @ 12.0 g/t Au & 5m @ 3.0 g/t Au in CWD101
- Vanderbilt Prospect
  - 5m @ 4.2 g/t Au in CRC014

JMT Target – 75 rock samples over 1km of strike, average 6.1 g/t Au, no drilling to date.

Cowarra gold project on NSW State Lands set aside for minerals, permitting for drilling is well advanced, with drilling anticipated to commence in the third quarter of 2021.

The Cowarra gold project was previously mined by BHP in the 1930's and later Horizon Pacific in the 1980's with average run-of mine grades between 6 – 8 g/t Au with gold recovered by an industry standard carbon in leach (CIL) on site processing plant.

Gold mineralisation at Cowarra extends over some 8km within the granted EL with soil and rock chip anomalies requiring follow-up (Figure 8).

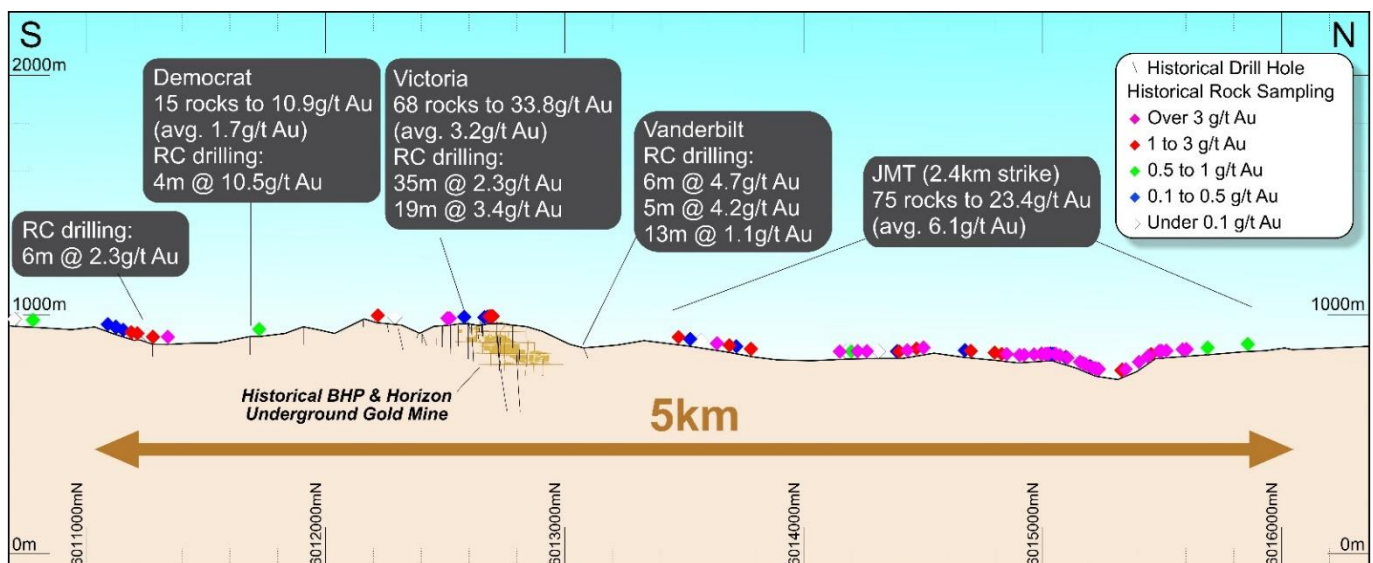


Figure 8: Long Section of the Cowarra Gold Project – Democrat Prospect to JMT Prospect through Victoria Mine with Significant Drill and Rock Sample Gold Results



Zenith has an option to provide staged funding to the Cowarra Project owner Oxley Resources Limited. On 24-Sep-21 the Company completed Stage 1 investment of \$140k into Oxley and in January 2022 (11-Jan-22) completed a further subscription in Oxley of \$70k, taking its current equity to 22.3%. In addition, the Company has agreed with Oxley that it may subscribe for new, or offer to purchase existing Oxley shares (to the value of \$750k at ZNC's sole election) such that its total holdings could increase to 47% of Oxley. Refer to ASX Release 13-May-21 for background on the transaction.

## KAVAKLITEPE GOLD PROJECT – TURKEY (ZENITH ~20%)

The Company is seeking to divest its share of the Kavaklitepe gold project.

Exploration and evaluation of the Kavaklitepe gold project is now managed by Gubretas Maden and Turkish mining company that owns there nearby Sogut gold mine (under development).

Drilling to date on two prospect areas has returned encouraging results:

Kuzey Zone drill intersections include:

- 20m @ 15.6 g/t Au,
- 16m @ 4.7 g/t Au,
- 21m @ 3.29 g/t Au,
- 14m @ 6.09 g/t Au,
- 16m @ 4.7 g/t Au, and
- 7.8m @ 7.3g/t Au

Continuous Kuzey Zone surface rock chip results include:

- 54m @ 3.33 g/t Au,
- 10m @ 12.2 g/t Au,
- 44m @ 3.37 g/t Au,
- 15m @ 10.1 g/t Au and 6.5m @ 5.18 g/t Au.

In addition, Discovery Zone drill results include: 8.0m @ 1.2 g/t Au and 8.0m @ 1.26 g/t Au.

## INVESTMENTS

The Company holds investments in various listed entities because of project-based transactions. These include:

- Bradda Head Holdings Ltd (LON:BHL) 43.9M shares – refer to ASX Release 20-Jul-21
- Rumble Resources Ltd (ASX:RTR) 3.8M shares
- American Rare Earths Ltd (ASX:ARR) 2.5M shares
- NickelX Limited (ASX:NKL) 0.5M shares
- Techgen Limited (ASX:TG1) 0.22M shares
- Alien Metals Ltd (LSE AIM:UFO) 7.827M shares
- Bindi Metals Limited 1.25M shares (ASX:BIM)

## SUMMARY OF EXPLORATION EXPENDITURE

In accordance with Listing Rule 5.3.1, the Company reports that there was \$1,866k exploration expenditure incurred during the March quarter.

## NEW OPPORTUNITIES & DIVESTMENTS

The Company advises that it is currently in ongoing and incomplete negotiations in connection with several potential project acquisitions and disposals. Project generation is a core skill of the Company. This work has included assessment of various 3<sup>rd</sup> party lithium properties in Australia.

Divestments completed during the quarter included:

- Flanagans copper project to ASX:BIM (BIM ASX Release 24-Jun-22)
- Vivash Iron project to LSE AIM:UFO (ASX Release 31-May-22)
- Jackadgery option to ASX:TG1 (ASX Release 16-May-22)

The Company will provide appropriate disclosure should negotiations and agreements be completed, and or new tenure be granted.

## TENEMENT INTERESTS

Changes in tenements	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Jackadgery gold Vivash iron Flanagans copper	E8389 & E9121 E47/3071 EPM 27478	Option 100% 100%	nil Royalty nil
Interests in mining tenements and petroleum tenements acquired or increased	Split Rocks	E77/4490	nil	40%

Interest in mining tenements	Project	Tenement	Interest
	Earaheedy Zinc JV	E69/3464	Rumble Resources Limited (75%) Fossil Prospecting Pty Ltd (25%)
	Earaheedy Mn 100%	E69/3414	100%
	Earaheedy Mn 100%	R69/2	100%
	Earaheedy Mn 100%	E69/2733	100%
	Earaheedy Zinc 100%	E38/3620	100%
	Earaheedy Zinc 100%	E69/3872	100%
	Earaheedy Zinc 100%	E69/3886	100%
	Earaheedy Zinc 100%	E69/3887	100%
	Earaheedy Zinc 100%	E69/3869	100%
	Earaheedy Zinc 100%	E38/3619	100%
	Split Rocks	E77/2513	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2457	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2388	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2514	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2555	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2453	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2454	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2455	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%

	Split Rocks	E77/2456	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	P77/4507	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2375	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2386	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2616	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E74/634	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2598	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	P77/4506	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	P74/379	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2394	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	E77/2395	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Split Rocks	P77/4490	Australian Lithium Alliance ZNC 40%, EVM 60%, ZNC other minerals 100%
	Split Rocks -Dulcie	M77/581	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	M77/1250	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	L77/226	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	M77/1290	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	P77/4368	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	L77/244	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	M77/1267	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	L77/256	ZNC gold rights to sub-6m
	Split Rocks -Dulcie	M77/1246	ZNC gold rights to sub-6m
	Waratah Well	E59/2170	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Waratah Well	E59/2321	Zenith Lithium JV (ZNC 100%, EVM earning 60%) other minerals 100%
	Yalgoo Potash	E59/2622	100%
	Yalgoo Potash	E59/2623	100%
	Yalgoo Potash	E59/2624	100%
	Mt Ida North	E29/994	Option to acquire by the Australian Lithium Alliance ZNC 40%, EVM 60%, ZNC other minerals 100%
	Develin Creek	EPM16749	100%
	Develin Creek	EPM17604	100%
	Auburn	EPM27517	100%
	Privateer	EPM27552	100%
	Red Mountain	EPM26384	100%

## COMPETENT PERSONS STATEMENTS

*The information in this report that relates to Zenith Exploration Results and Exploration Targets is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith. 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.*

*The information in this report that relates to lithium metallurgical testwork at Split Rocks is based on information compiled by Mr Luke Fitzgerald, who is a Member of the Australian Institute of Mining and Metallurgy and an employee of EV Metals Group. Mr Fitzgerald 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 Fitzgerald consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this Report that relates to in-situ Mineral Resources at the Develin Creek project is based on information compiled by Ms Fleur Muller an employee of Geostat Services Pty Ltd. Ms Muller takes overall responsibility for the Report. She is a Member of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition)'. Ms Muller consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.*

**Authorised for release by the Zenith Minerals Limited Board of Directors – 29<sup>th</sup> July 2022**

**For further information contact Zenith Minerals Limited:**

Executive Chairman: David Ledger or Managing Director: Michael Clifford

E: [info@zenithminerals.com.au](mailto:info@zenithminerals.com.au)

Phone +61 8 9226 1110

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Zenith Minerals Limited

ABN

96 119 397 938

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	14	70
1.2	Payments for		
	(a) exploration & evaluation (see Note to 1.2(a))	(1,367)	(4,432)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(220)	(887)
	(e) administration and corporate costs	(298)	(1,127)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	10
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST)	(1)	(18)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,866)</b>	<b>(6,384)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(3)	(5)
	(d) exploration & evaluation	-	-
	(e) investments	-	(232)
	(f) other non-current assets	-	-

Note to 1.2(a) – For the quarter ended 30 June 2022, \$1,367 (rounded \$A'000) of the exploration & evaluation expenditure at 1.2(a) has been capitalised and its inclusion at 1.2(a) is to maintain consistency with Zenith Minerals Limited reporting in its Financial Report pursuant to the Australian Accounting Standard AASB 6 and AASB 107.



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	245
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(3)</b>	<b>8</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	12,248
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	10
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(365)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Contributions from Joint Venture partner	471	556
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>471</b>	<b>12,449</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	9,319	1,847
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,866)	(6,383)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	8
4.4	Net cash from / (used in) financing activities (item 3.10 above)	471	12,449

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>7,921</b>	<b>7,921</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,906	9,304
5.2	Call deposits	15	15
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,921</b>	<b>9,319</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	181
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p><i>Director fees and salaries \$181,459</i></p>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	15	-
7.4	<b>Total financing facilities</b>	15	-
7.5	<b>Unused financing facilities available at quarter end</b>		15
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Credit Card Facility with ANZ Bank which is secured by a term deposit with a right of set off to the total limit of the credit card facility.</p>		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,866)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	0
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,866)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,921
8.5	Unused finance facilities available at quarter end (item 7.5)	15
8.6	Total available funding (item 8.4 + item 8.5)	7,936
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	4.25
	<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>	
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <p>Answer: N/A</p> <p>8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?</p> <p>Answer: N/A</p>	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022.....

Authorised by: **By the Board**.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.