

Century Operations Update: Record Monthly Production Results and MOU to Purchase up to 8MW of Renewable Solar Power Supply, Reducing Century Operational Emissions

Highlights

Continued strong operational performance from Century operations:

- Monthly record since restart of operations of 12,109t zinc metal produced in July at 51% recovery
- Strong operational performance has continued into August (11,768t zinc metal at 50% recovery, unreconciled), putting Century operations on track for a strong September quarterly performance

Solar power agreement:

- Non-binding Memorandum of Understanding executed between New Century and APA Group for supply of up to 8MW of solar power to the Century Mine from the 88MW Mica Creek Solar Farm (under construction)
- Potential to reduce Century's Mount Isa carbon emissions from power generation by up to 10%
- Further expansion of renewable energy for Century operations to be investigated, including wind and batteries, to further decarbonise the power supply mix
- Mica Creek Solar Farm expected to be complete and operational by late FY23



Figure 1: Shane Goodwin (left) (Head of Corporate Affairs & Social Responsibility, New Century), Michael Pitt (centre) (Head of Development, New Century) and Matthew Forrest (right) (GM Energy Solutions, APA) at APA Group's 110MW Darling Downs Solar Farm in Queensland

New Century Resources Limited (New Century or the Company) (ASX:NCZ) is pleased to provide an update on Century operations, including record monthly production and a non-binding Memorandum of Understanding (**MOU**) with APA Group (**APA**) (**ASX:APA**) for the supply of up to 8 MW of solar power to the Century Mine. The MOU contemplates an amendment and optimisation of New Century's existing Power Purchase Agreement (**PPA**) to include a new energy product supplied from the under-construction 88MW Mica Creek Solar Farm. APA is developing the solar farm in Queensland's North West Minerals Province (**NWMP**).

Century Production Update

The strong operational performance at Century has continued into the September quarter to date, following on from the 14% Q-on-Q improvement in production in the June quarter. The Company is pleased to have delivered record monthly metal production in July, with 12,109t of zinc metal produced at average monthly recoveries of 51%, the best result since the restart of operations.

Operations have continued this strong performance into August, with a monthly unreconciled total of 11,768t of zinc metal produced at 50% recovery.

These results provide the opportunity for New Century to deliver a strong September quarterly production and operational cashflow performance. The Company will provide a further update on operational performance in the September quarterly report.

Solar Power Memorandum of Understanding

New Century and APA have entered into a non-binding MOU for the provision of up to 8MW of renewable solar power, to be supplied from the under-construction Mica Creek Solar Farm.

The MOU represents a milestone in New Century's ongoing commitment to improved ESG performance and identifying opportunities to reduce the carbon intensity of the Company's operations. Combining this new renewable solar energy generation with the current supply from the highly efficient Diamantina Power Station complex, will result in a reduced average delivered cost of power to Century while materially reducing the associated carbon emissions.

Further cost management will be achieved through New Century retaining the associated Large-scale Generation Certificates (**LGC**) from the purchased solar power.

Under the MOU the parties will work together on additional new renewable generation opportunities in the region with the aim of further reducing carbon emissions and providing long term clean energy supplies with price certainty.

New Century's Managing Director Patrick Walta said:

"We are delighted to be working with the APA Group on identifying opportunities to reduce the carbon intensity of the Century Mine and of the broader NWMP.

In 2021, New Century set out an ambition for transparently reporting on our ESG performance through our Sustainability Report and for improving the way our operations interact with the environment and with society.

The MOU with the APA Group represents a milestone in our efforts to address the carbon intensity of our Century operations and to reducing operational costs at Century through cooperative endeavours with our suppliers."

APA Group Executive Strategy and Commercial Darren Rogers commented that this MOU was part of the APA's broader commitment to developing new renewable projects in the NWMP and helping the resource sector to decarbonise.

“APA is pleased to be working with New Century as a valued customer on this MOU and on identifying opportunities for new renewable energy solutions to its operations in North West Queensland.

As we continue to investigate and develop new renewable projects in the region, we will work with New Century and other resource sector operators in the region, to supply renewable energy solutions for the sector, and contribute to reducing the carbon intensity of the industry.

This MOU supports APA’s vision to expand our renewables portfolio in the region and help our customers reduce their emissions as they – like APA – seek to decarbonise their operations.

Once the PPA amendment is agreed and signed, APA will have three major customers supporting the 88-megawatt Mica Creek Solar Farm, demonstrating the enthusiasm of customers in the region for integrated energy solutions that can both meet their energy needs and help reduce their operational emissions.”

The terms of the MOU require New Century and APA Group to work towards an amendment to the current PPA by 30 September 2022 or by a later date as agreed by the Parties.

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

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