



NEW CENTURY
RESOURCES

December 2022 Quarterly Activities Report Presentation

2 FEBRUARY 2023

Disclaimer

Certain statements contained in this presentation constitute forward looking statements. Forward looking information often relate to statements concerning New Century's future outlook and anticipated events or results and, in some cases can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Statements of historical fact are not considered forward looking information.

Forward looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed in results; the ability to explore; communications with local stakeholders and community and government relations; status of negotiations; weather conditions; Ore Reserves; Mineral Resources; development approach and schedule; the receipt of required approvals, titles, licenses and permits; sufficient working capital to develop and operate mines and implement development plans; access to adequate services and supplies; foreign currency exchange rates; access to capital markets; availability of qualified work force; ability to negotiate, finalise and execute relevant agreements; lack of social opposition to mines or facilities; lack of legal challenges with respect to the property; the timing and amount of future production and ability to meet production, operating and capital cost expenditure targets; timing and ability to produce studies and analysis; economic conditions; the ultimate ability to mine, process and sell the mineral products produced; the timing, exploration, development, operational, financial, budgetary, economic, legal, social and political factors that may influence future events or operating conditions. Forward looking statement are only predictions based on New Century's current expectations and projections of future events. Actual results may vary from such forward-looking information for a variety of reasons.

New Century believes that the forward-looking statements included in this presentation are based on reasonable grounds. However, neither the Company nor any other person makes or gives any representation, assurance or guarantee that the expected outcomes reflected in this announcement will ultimately be achieved.

Throughout this report financial information is presented other than in accordance with accounting standards (non-IFRS financial information). As non-IFRS financial information does not have a standardised meaning prescribed by IFRS, they are not necessarily comparable to similar measures presented by other companies.

The Company publishes the following non-IFRS measures as they provide additional meaningful information to assist management, investors and analysts in understanding the financial results and assessing prospects for future performance. Accordingly, such non-IFRS measures are intended to provide additional information and should not be considered in isolation or in substitution of IFRS financial information. C1 Costs - Cash costs per pound of payable metal produced. It represents the net direct cash cost expressed in United States dollars incurred at each processing stage from mining through to recoverable metal delivered to market including treatment charges for zinc concentrate less net by-product credits and non-cash inventory adjustments. Corporate overheads and royalties are excluded. AISC - All-In Sustaining Costs per pound of payable metal produced. It represents all cash costs expressed in United States dollars incurred at each processing stage from mining through to recoverable metal delivered to market including smelter treatment charges for zinc concentrate less net by-product credits and non-cash inventory adjustments. Corporate overheads and royalties are included. Net Sales Receipts – Net Sales Receipts is calculated as sales receipts including realised quotational period adjustments under concentrate sales contracts less smelter treatment charges imposed under those contracts, freight and penalties. Operating Costs – Operating Costs is calculated as the cost of goods sold plus selling, general and administrative expenses and is expressed on a cash basis. Operating Cash Margin - Operating Cash Margin is calculated as the difference between Net Sales Receipts and Operating costs. Adjusted EBITDA - Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation is based on notional net revenue calculated removing all one-off items including those triggered by the Declaration of Commercial Production and associated accounting practices and assumes all payable metal produced in the specified period is sold in that specified period.

Other than required by law, New Century assumes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

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

New Century Resources Limited (ASX: NCZ)



- ✓ Maximising value from our Northwest Queensland assets through reducing unit costs of production
- ✓ Enhancing Century operation through development of Silver King and East Fault Block
- ✓ Long-term upside at Century through potential development of Watson's Lode and other resources
- ✓ Investing in restarting Mt Lyell with Feasibility Study now underway (target completion Dec Quarter 2023)
- ✓ Accelerating Company growth through external opportunities, focussing on complementary assets

Corporate Profile

At a Glance

(As at 1 February 2023)

Shares on Issue 131.6m

Share Price A\$0.905/sh

Market Capitalisation A\$119.1m

Cash & Concentrate* A\$79.0m

Cash on hand A\$47.8m

Concentrate inventory A\$31.2m

Restricted cash A\$36.4m

Debt None

Enterprise Value A\$71.3m

*As at 31 December 2022

Board & Management



Kerry Gleeson
Independent
Chairman



Rob Cooper
Managing
Director &
CEO



Peter Watson
Non-Executive
Director



Tom Wilcox
General
Counsel &
Company
Secretary

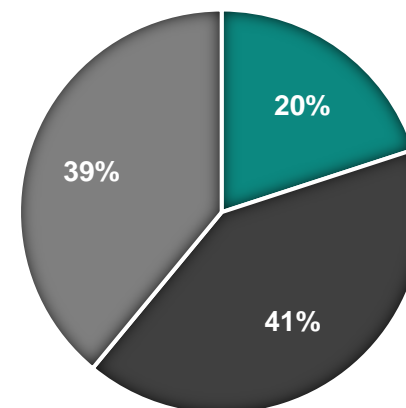


Barry Harris
COO



Mark Chamberlain
CFO

Major Shareholders



- Sibanye Stillwater
- Australian & International Institutions
- Retail Shareholders

Research Coverage – Consensus Valuation A\$3.96/sh



ShawandPartners

MORNINGSTAR

December 2022 Quarter Century Operations

	December Quarter 2022	12 months to December 2022
Production Performance	kt	kt
Zinc Production – total (payable)	29.3 (24.2)	123.5 (102.3)
Zinc Sold – total (payable)	27.7 (23.0)	116.0 (95.9)
Cost Performance	US\$/t	US\$/t
C1 Costs – payable basis	2,081	2,050
AISC – payable basis	2,542	2,500
Average Zinc Price (LME)	2,990	3,436

Solid production achieved with industry-leading safety

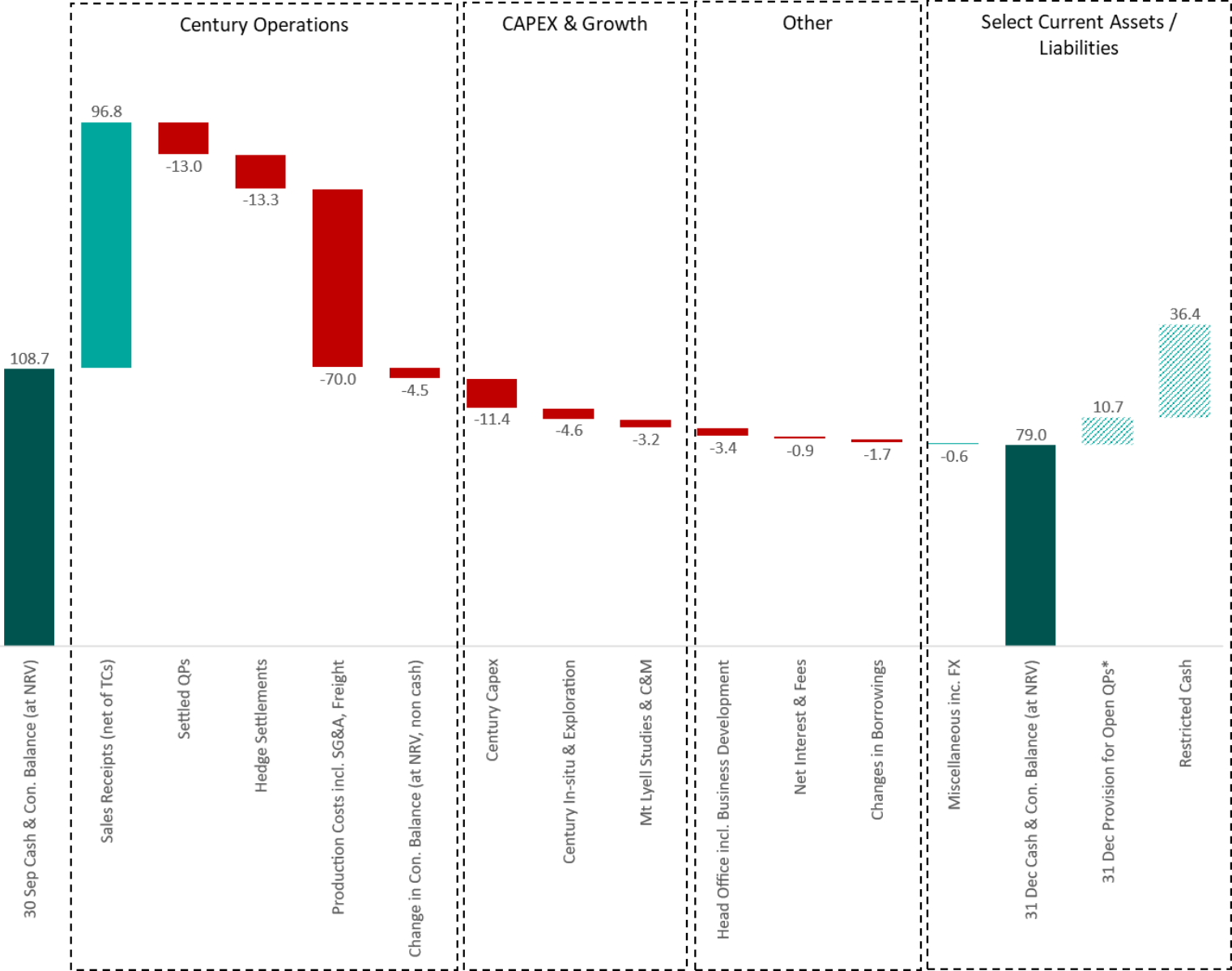
SAFETY & ENVIRONMENT

- Reduction in total recordable injury frequency rate (TRIFR) at the Century Mine and Karumba Port to 1.1 in the December quarter
- TRIFR subsequently reduced to zero in January 2023
- An off-lease pipeline spillage occurred, with clean-up activities completed within the quarter (no material impacts to production)

PROCESSING & PRODUCTION

- Zinc concentrate production of 63,124t containing 29,276t of zinc
- Hydraulic mining operations delivered 2.34Mt at 3.00% zinc
- Production impacted by planned plant shutdown and seasonal weather events
- >1Mt of concentrate produced since the recommencement of operations at Century

Financial Performance December 2022 Quarter



SOLID OPERATIONAL CASHFLOW UNDERPINS GROWTH

- Operational costs remain steady (flat for more than 18 months) despite inflationary and currency pressures, underpinning development of growth pipeline
- Initiatives commenced to achieve continued cost reductions, efficiency gains and production increases
- A\$96.8m in cash sales receipts net of treatment charges against production costs of -A\$70m
- Hedge settlements during quarter totalled -A\$13.3m alongside -A\$13.0m in settled QPs
- Open QP position valued at +A\$10.7m as at 27 January 2023

Social Contributions FY2022

>18,000 hours

of training and
development delivered
throughout the Gulf
Communities

>\$5 million

in financial
contributions to
Traditional Owner groups

Solar power

first renewable power
purchase agreement to
lower emissions

>\$3 million

paid in rates to the remote
Burke and Carpentaria
Shire Councils

\$72 million

spent with local
suppliers

>\$21 million

in Royalties and other taxes
paid to the Queensland
Government

Growth Projects Century Life Extension

Silver King and East Fault Block Development

- Potential to significantly increase site revenue and decrease overall C1 costs
- Probable Ore Reserves 2.3Mt @11.0% Zn & Pb
- Study team focused on a review to reduce project capital and improve cash flow profile
- All activities in relation to long-lead items that have potential to impact the critical path have progressed well and present minimal risk to the project

Watson's Lode Exploration

- Mineral Resource modelling progressed during the quarter, with peer review underway
- Reverse circulation (RC) drilling sample recovery in wet holes has introduced bias when compared to the diamond holes (showing significantly higher grades to the RC holes)
- Inferred Mineral Resource 1.74Mt @ 9.7% Zn & Pb

Mt Lyell Copper Mine

Tasmania, Australia



Prefeasibility Study (PFS)

- Mt Lyell Copper Mine PFS [results](#) demonstrate highly attractive economics for the restart of underground mining operations over an initial 25-year mine life
- Low-cost, long-life copper and gold operation with a pre-tax NPV₇ of A\$560m, IRR of 22% and Life of Mine net cash flow of A\$1,580m
- Estimated pre-production capital cost of A\$279m with average C1 costs for the first 10 years of steady-state operations of US\$1.73/lb Cu (including by-product credits)
- Total estimated production of 555kt of copper and 320koz of gold in concentrate
- PFS Board-approved with immediate progression to Feasibility Study, targeted to be finalised in Q3CY2023
- Investor briefing [recording](#) and presentation [slides](#)

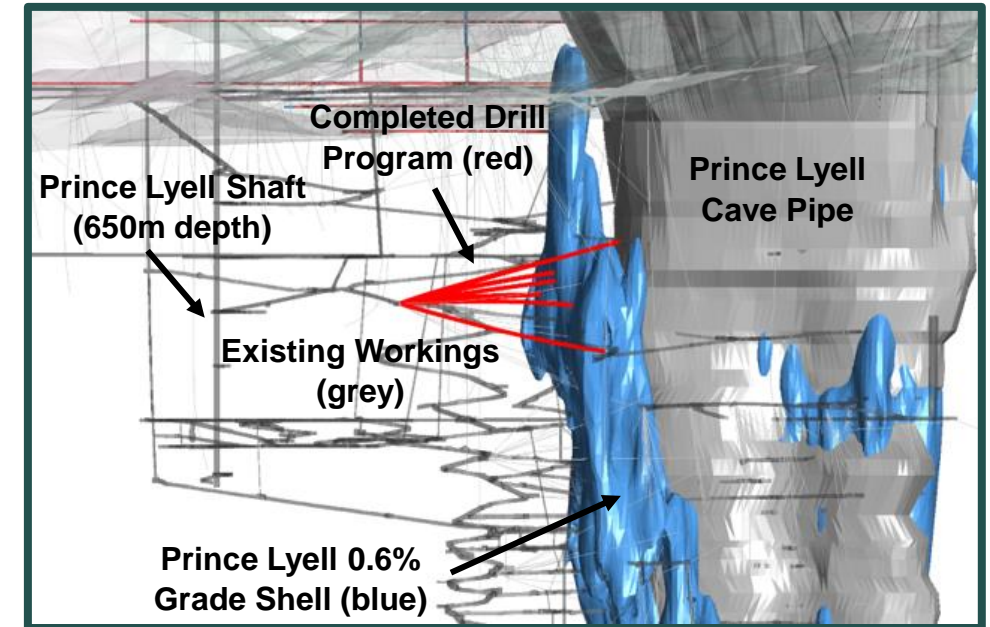
Growth Projects **Mt Lyell Copper Mine**

Activities and Exploration

- Resource definition drilling program at the top of the planned sub-level cave completed with assays pending
- Drilling focussed on upgrading upper section of the Prince Lyell orebody from Inferred Mineral Resource to Indicated Mineral Resource
- Mineral Resource modelling has commenced, with an updated Mineral Resource to be released when assay results are received (targeting March quarter 2023)

Government Support

- Tasmanian Government support confirmed by recently providing Copper Mines of Tasmania with final A\$2.3m instalment of A\$9.5m grant to assist in restart of operations
- Funds will be directed towards risk mitigation projects, including refurbishment of the North Lyell tunnel, modifying West Queen water dams and installing a secondary high voltage (11kV) cable in the shaft for contingency



Section of Mt Lyell Copper Mine underground, showing recent drilling locations and highlighting the extensive underground workings and hoisting shaft



Growth Projects **Mt Lyell Copper Mine**

Next Steps

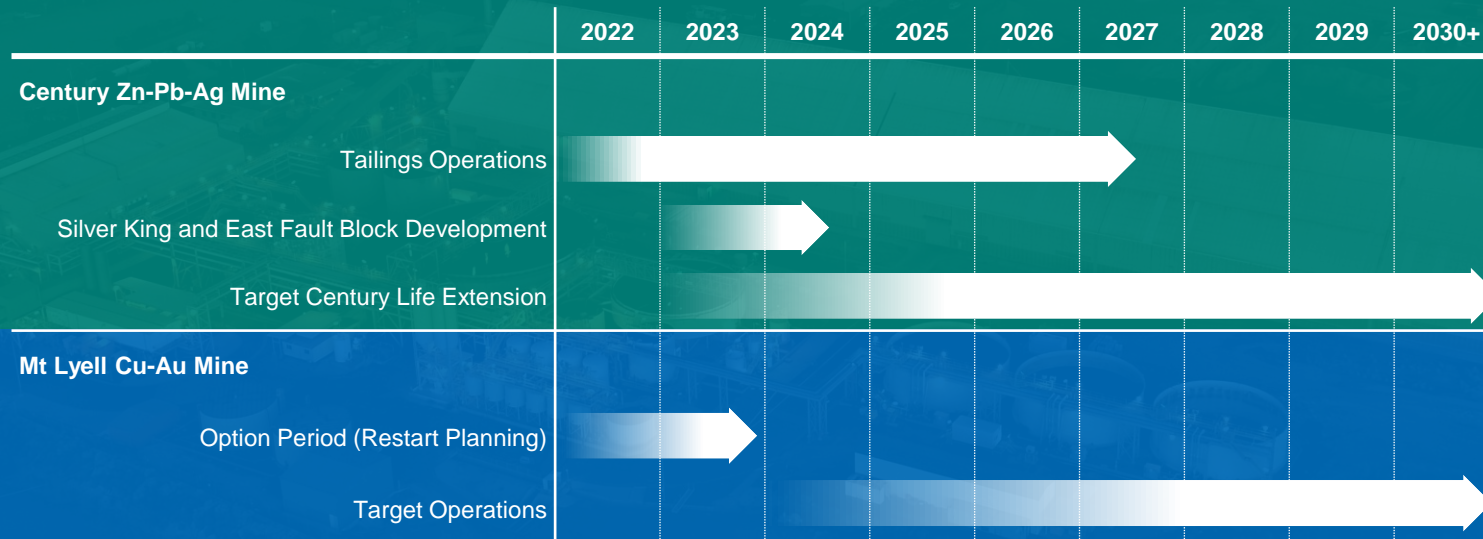
- Immediate progression to Feasibility Study, with works underway and targeted completion in September quarter 2023
- Target rapid project execution to capture macroeconomic tailwinds forecast for mid-to-late part of this decade
- Upgrade of Mineral Resource targeted in March quarter 2023 using drilling completed in the December quarter 2022

High-Level Project Timeline



Valuation underpinned by operational cashflows, strong growth pipeline via Century life extension and Mt Lyell Copper Mine Restart Option

New Century Target Corporate Growth Profile



Competent Person Statements

The information in this announcement that relates to **Mineral Resources** for:

- the Silver King deposit is extracted from a report titled 'Feasibility Study Demonstrates Compelling Value Proposition for In-situ Resource Development at Century' which was released to ASX on [15 September 2021](#);
- the South Block deposit is extracted from a report titled 'South Block Resource Provides Significant Potential for Century Mine Life Extension and Production Increase' which was released to the ASX on [15 January 2018](#);
- the East Fault Block deposit is extracted from a report titled 'Century Expansion Study Incorporating In-Situ Resource Development Demonstrates Strong Value Add Potential' which was released to the ASX on [25 June 2019](#);
- the Watson's Lode deposit is extracted from a report titled 'Century Exploration, Watson's Lode Resource Definition and In-Situ Feasibility Study Update' which was released to the ASX on [2 September 2021](#);
- the Century tailings deposit is extracted from a report titled 'New Century Achieves a Major Increase in Resource for the Century Tailings Deposit' which was released to the ASX on [12 September 2017](#). The Mineral Resource for the Century tailings deposit has been updated annually for mining depletion since original market announcement was released; and
- the Mt Lyell Copper Mine is extracted from a report titled 'New Century to Execute Transformational ESG Focused Growth Transaction Including Strategic Investment from Sibanye-Stillwater, Innovative Proposed Acquisition of Mt Lyell Copper Mine, Bond Refinancing and Equity Raise' which was released to the ASX on [27 October 2021](#).

The information in this announcement that relates to the **Ore Reserves** for:

- the Century Tailings, East Fault Block and Silver King deposits is extracted from a report titled 'Feasibility Study Demonstrates Compelling Value Proposition for In-situ Resource Development at Century' which was released to ASX on [15 September 2021](#); and
- the Mt Lyell Copper Mine is extracted from a report titled 'Mt Lyell Restart Update: Significant Initial Ore Reserve Delineated at Mt Lyell, Demonstrating Potential for Multi Decade Copper & Gold Operations' which was released to the ASX on [2 June 2022](#).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. The Mineral Resource and Ore Reserve estimates underpinning the production targets disclosed in this announcement have been prepared by a Competent Person in accordance with the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Production targets and forecast financial information

The information in this announcement with respect to production targets and forecast financial information for the Mt Lyell Copper Mine was first reported by the Company to ASX on [23 January 2023](#). The Company confirms that all material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

The information in this announcement with respect to production targets and forecast financial information for the Silver King and East Fault Block deposits was first reported by the Company to ASX on [17 May 2022](#). The Company confirms that all material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.



New Century Resources Limited

Level 4, 360 Collins Street
Melbourne, Victoria 3000, Australia
www.newcenturyresources.com

Robert Cooper | Managing Director & CEO

P: +61 3 9070 3300
E: info@newcenturyresources.com

James McNamara | Head of Investor Relations

P: +61 416 734 080
E: jmcnamara@newcenturyresources.com

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