

EXTENSION OF SETTLEMENT DATE FOR DEVELIN CREEK

Highlights

Zenith Minerals Limited (ASX:ZNC) ("**Zenith**", or the "**Company**") previously announced the sale of Develin Creek Copper-Zinc Project in Queensland to QMines Limited (ASX:QML) ("**QMines**"). Consideration for the sale was agreed as follows:

- An up-front payment to Zenith of \$1.2M cash and \$1M worth of QMines shares for an initial 51% interest ("**Initial Interest**", paid on 5 September 2023).
- Within 12 months QMines is to complete a metallurgical study on the existing Develin Creek Indicated and Inferred Mineral Resource.
- At 12 months QMines to pay a further \$1.3M cash and issue another \$1M worth of QMines shares* to Zenith for an additional 49% interest, subject to an adjustment ("**Additional Interest**").

Under the terms sheet, completion of the acquisition by QMines of the Additional Interest was to occur on 5 September 2024, being 12 months from the date of acquisition of the Initial Interest. The consideration payable by QMines for the Additional Interest is based on an adjustment formula, tied to the metallurgical testwork on zinc recoveries from the Develin Creek Project. The metallurgical testwork program has now been completed, with the results being detailed in QMines' announcement dated 6 September 2024.

Based on the results as they relate to the zinc concentrate grades, QMines will pay Zenith for the Additional Interest an adjusted cash payment of \$975,000 and an adjusted share-based payment of fully paid ordinary shares in QMines to the value of \$687,500 ("**Adjusted Additional Shares**").

In spirit of continued mutual cooperation between Zenith and QMines, purchase of remaining 49% interest will proceed with Zenith agreeing to extend settlement to 30th September 2024. This will enable QMines to obtain shareholder approval for the issue of shares to Zenith at QMines' upcoming general meeting to be held on 23 September 2024. Under the terms of the variation, it has been agreed that the amount of the Adjusted Additional Shares will be based on the 15-day volume weighted average price of QMines shares as traded on ASX, up to and including 5 September 2024. The Adjusted Additional Shares will be subject to a 5-month voluntary escrow period.

This release was authorised by the Board of Directors of Zenith Minerals Limited.

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