

## **FULL YEAR FINANCIAL RESULTS (Unaudited)**

### **FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017**

Zenith Energy Limited (ASX: ZEN) ("Zenith" or the "Company") has today released its unaudited financial results for the financial year ending 30 June 2017, delivering a Net Profit After Tax (NPAT) of \$3.1 million.

Having successfully listed on the ASX in May 2017, Zenith has continued to deliver innovative, reliable and cost effective remote power solutions to a range of clients across the resources sector and is pleased to report financial results which, on a number of metrics, have exceeded those forecast in the Prospectus.

#### **Results Highlights**

- Total Revenue of \$30,971,000, up 17% on FY2016
- EBITDA of \$9,844,000, exceeding prospectus forecast of \$9,383,000
- NPAT of \$3,123,000, exceeding prospectus forecast of \$2,429,000
- Earnings Per Share of \$0.0588, exceeding prospectus forecast of \$0.0248
- Strong progress made across the Company's pipeline of existing projects
- New Build, Own, Operate contract awarded, increasing the pipeline of projects to 11

Zenith's Managing Director, Hamish Moffat, commented: "The result we have achieved in FY2017 is extremely pleasing and is testament to the Company's outstanding technical and commercial expertise, as well as its commitment to delivering highly innovative, bespoke solutions to our clients.

"With a strong financial and operational performance, as well as a successful IPO during the financial year, we have the platform to build on our strengths and deliver further growth to shareholders in FY2018 and beyond."

#### **Financial Results Overview**

	<b>UNAUDITED FY2017</b> <b>(\$'000)</b>	<b>FY2016</b> <b>(\$'000)</b>	<b>% Change</b>
<b>Total Revenue</b>	30,971	26,491	17%
Cost of Sales	13,489	16,335	(17)%
<b>EBITDA</b>	9,844	4,522	128%
<b>EBIT</b>	7,803	3,478	124%
<b>Net Profit Before Tax</b>	4,626	2,025	128%
Income Tax Expense	1,503	423	255%
<b>Net Profit After Tax</b>	3,123	1,062	95%
EBITDA Margin (%)	32%	17%	N/A
Earnings Per Share (cents)	5.88	3.93	50%

#### **ZENITH ENERGY LIMITED (ASX:ZEN)**

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## ASX Announcement

31 August 2017

### Operations Overview

Since listing, Zenith has made strong progress in executing a number of its existing contracts with major mining companies locally and internationally, as part of the Company's vision to become a leading Australian-based Independent Power Producer (IPP).

#### *Northern Star Resources*

In May 2017, the Company successfully completed the construction of a new 18MW gas fired power station for Northern Star Resources at their Jundee Gold Mine east of Wiluna, Western Australia, and announced power delivery under the Power Purchase Agreement (PPA) in July.

Equally the Company completed the construction and commissioning of a new diesel power station at the Kunduna Gold Project, operated by Northern Star Resources, with the new power station delivering power under the Power Purchasing Agreement on 28 June with Northern Star Resources.

#### *Pantoro Resources*

Zenith has made strong progress on the installation of a 6.5MW diesel fired power station under Pantoro Resources' five year Build Own Operate (BOO) contract for its Halls Creek Mine. The Halls Creek power station is scheduled to deliver power to Pantoro Resources in August 2017.

#### *Ok Tedi Mining*

As at 1 July, Zenith secured a further three year Manage, Operate and Maintain (MOM) contract with Ok Tedi Mining at its Tabubil Power station facilities in the Western Province of Papua New Guinea. The contract offers Zenith an option to extend for an additional three years, potentially taking the total tenure of contract and therefore revenue through to June 2023.

#### *Phosphate Hill*

Incitec Pivot's existing Manage, Operate and Maintain (MOM) contract at its Phosphate Hill Power Station facilities in Northern Queensland has been extended for an additional one year, through to August 2019.

#### *Dacian Gold*

In addition to the progress made on the Company's existing contracts, Zenith entered into a Letter of Intent in August 2017 to award a PPA for the building, ownership and operation of a 17MW gas-fired power station for Dacian Gold Limited's wholly owned subsidiary, Mt Morgan's WA Mining Pty Ltd.

Subject to negotiation of the final terms, the PPA will have a supply commencement date of 7 March 2018, with an initial eight year term and an option to extend.

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### FY2018 Outlook

Zenith has an outstanding pipeline to pursue into FY2018 including opportunities to progress remote power projects with both new and existing clients, particularly in the resources sector, as well as opportunities to further leverage Zenith's extensive expertise to develop hybrid, renewable and micro-grid energy solutions.

Hamish Moffat commented: "In the coming year the Company will implement improved systems and software to streamline our operational and administrative processes, bringing greater efficiency to the business.

"In FY2018 we will also commence the construction of the contracted hybrid Diesel/Solar plant at the Nova Operation in Western Australia, which is a significant operational milestone for the Company.

"These developments, together with the current strategy of continuous improvement and adherence to quality control in existing markets, are expected to assist in the achievement of the Company's long-term goals and development of new business opportunities."

**ENDS**

**Hamish Moffat**  
**Managing Director**

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### About Zenith Energy

Zenith is a remote power generation specialist who delivers reliable, cost-effective power generation solutions, primarily for clients operating in the resources and energy sector in remote areas of Australia.

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Zenith designs, constructs and manages power generation facilities incorporating a range of fuel types including diesel, natural gas, solar and hybrid systems. Zenith now employs over 90 staff, has two strategically placed regional offices, and is active in Australia and South East Asia.

Zenith's corporate office is headquartered in Perth, WA, with an additional facility in Cairns, Queensland, providing a platform for operations in South East Asia and Northern Australia.

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