

ASX RELEASE

1st December 2017

Zenith Selected as Preferred Bidder for Newmont Australia's Tanami Gold Mine

Highlights

- **Zenith advised by Newmont it has been selected as the preferred bidder for the Build, Own and Operate (BOO), 62MW Power Station at Newmont's Tanami gold mine**
- **Tendered Power Purchase Agreement (PPA) contract term of 10 years, forecast commencement quarter one 2019**
- **No binding contract will arise between Zenith and Newmont unless and until the PPA is executed by both parties**

Remote power generation specialist Zenith Energy Limited (ASX:ZEN) (**Zenith**) is pleased to announce that its wholly-owned subsidiary, Zenith Pacific Pty Ltd, has been selected as the preferred bidder for the building, ownership and operation of a 52MW gas-based power station and circa 10MW of diesel back up generation for Newmont Mining Corporation's (**Newmont**) wholly owned subsidiary, Newmont Mining Services Pty Ltd, at Newmont's Tanami gold mine.

Newmont and Zenith are to negotiate the PPA over the coming weeks.

Under the proposed PPA, Zenith will build, own and operate a new 62MW power station to reliably and efficiently service the power needs of Newmont's Tanami gold mine, located approximately 520 kilometres northwest of Alice Springs in the remote Tanami Desert of the Northern Territory of Australia.

The power station will incorporate natural gas generators which will provide Tanami with cost effective and clean gas fuelled power generation into the future. Subject to negotiation of the final terms, the PPA has a forecast supply

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commencement date of quarter one 2019, and an initial 10-year term with Newmont having an option to extend for a further 10-year term.

Upon completion, the proposed PPA will positively impact FY20 earnings and will have a materially positive impact in FY21 when the full-year impact of the PPA accrues to ZEN's results.

Zenith Energy's Managing Director, Hamish Moffat noted:

"We are extremely pleased to have been awarded preferred bidder status by Newmont and look forward to working with the Newmont team to deliver a cost-effective and clean power supply solution to Tanami for many years to come."

Mr Moffat added that the proposed new capacity at Tanami, together with several recent project expansions for existing customers, has seen Zenith's contracted BOO capacity exceed 172MW.

Award of preferred bidder status by Newmont further demonstrates Zenith's ability to deliver innovative, reliable, highly efficient, and cost-effective power generation solutions to support our customers.

ENDS

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