

NEW CENTURY EXECUTES MAJOR LONG TERM ZINC CONCENTRATE OFFTAKE CONTRACTS

- First long term offtake agreements executed with established commodity traders Mercuria Energy Trading SA and Transamine Trading SA
- Highly attractive terms underpin strong demand for Century zinc concentrate
- Further offtake contracts under development with other shortlisted customers
- Strong participation from smelters & traders in New Century's concentrate tender
- Request for arbitration by Nyrstar concerning terminated legacy agreements

New Century Resources Limited (Company or New Century) (ASX:NCZ) is pleased to announce the execution of the first long term offtake agreements for zinc concentrate produced from the Century Zinc Mine with Mercuria Energy Trading SA (Mercuria) and Transamine Trading SA (Transamine).

The offtake agreements have been competitively negotiated, with terms reflecting the strong zinc market fundamentals and current scarcity in supply of large tonnage zinc concentrate offtake available around the world.

Commenting on the offtake agreements, New Century Managing Director Patrick Walta said:

"The execution of these initial offtake agreements represents another exciting milestone for New Century as we progress toward production in Q3 2018.

New Century is very pleased with the strong demand shown by smelters and commodity traders in its tender process, which is a clear demonstration of the quality of New Century's concentrate and the current strong fundamentals of the market zinc.

The Company looks forward to building a long term successful relationship with its new partners at Mercuria and Transamine. We also look forward to finalising the development of other offtakes with shortlisted parties."

The execution of the offtakes with Mercuria and Transamine for a portion of the New Century concentrate marks the first agreements to result from New Century's concentrate tender process, which was initiated in Q4 2017. The tender process has received strong participation from both zinc smelters and commodity traders alike, with 11 interested parties submitting indicative offers. New Century has now shortlisted further preferred offtake customers and, in addition to the offtakes

already signed, is progressing the development and potential execution of formal offtake agreements with these parties.

The total tender was for up to 1.5Mt of zinc concentrate from the Century Zinc Mine, representing production from approximately the first 3.5 years of scheduled operations. A current typical specification of zinc concentrate from the new operations at Century is provided on page 4 of this announcement.

The offtake agreements with Mercuria and Transamine represent approximately half of the total of New Century's 1.5MT that was tendered.

Pricing structure is based on an industry standard model with zinc concentrate is based on a CIF (cost, insurance, freight) price that is calculated by reference to the contained zinc and silver in the concentrate, based on zinc and silver spot prices published by the LME and the LBMA, less the treatment charge paid to Chinese smelters importing zinc concentrate, as published by Wood Mackenzie's Metals Market Service.

In connection with the offtake tender process, late on the 06 February 2018 New Century received a request for arbitration concerning a claim by Nyrstar Sales & Marketing AG (**Nyrstar**) regarding the purchase of zinc concentrate from the Century Zinc Mine under historical commercial terms within legacy zinc supply agreements. The Company understands these agreements were entered into in 2007 and which New Century also understands were terminated some time ago and prior to the Company's acquisition of the Mine.

New Century was not aware of the existence of any such agreements with Nyrstar when it acquired its interest in the Century Zinc Mine and copies of those agreements were not provided to the Company at that time of the acquisition. Nyrstar also alleges that MMG Australia Limited is the current guarantor to these agreements.

It is also noted that Nyrstar has been an active, though to date unsuccessful, participant in New Century's zinc concentrate tender process.

New Century believes that the opportunistic claim by Nyrstar has no merit and that any historical agreements with Nyrstar were terminated well before the Company acquired its interest in the Century Zinc Mine.

New Century has instructed leading international arbitration firm, Clifford Chance to defend the claim by Nyrstar.

The Company will vigorously defend the claim and the arbitration does not prevent New Century from signing or performing its obligations under any new offtake agreement.

While New Century is very pleased with the strong demand shown by smelters and commodity traders for its concentrate, it will always seek to complete commercial agreements that are in the best interests of maximising value for its shareholders.

The Company will continue to inform the market of any material developments relating to its zinc concentrate offtake process as they progress.

About Mercuria Energy Trading SA

Founded in 2004, Mercuria Energy is one of the largest independent commodities groups in the world. Through its various subsidiaries, the group focuses on activities all along the commodity value chain that form a balanced combination of commodity flows and strategic assets.

With a strong balance sheet and net asset value of close to US\$3 Billion, more than 1,000 people are operating from offices worldwide to sustain Mercuria's extensive business reach, while leveraging their market knowledge, diversity, and experience.

In 2014, Mercuria Group completed the acquisition of the physical commodities trading businesses of JPMorgan Chase & Co. In 2016, Mercuria welcomed the strategic investment by China National Chemical Corporation, in addition to the investment by China Materials Storage and Transportation Development into the Henry Bath warehousing business. In 2017, Mercuria Group completed the acquisition of the gas and power trading unit of Noble Americas Corp.

Mercuria's base metal concentrates platform, headed by veteran trader Jose Leon (who held similar positions at MRI and Louis Dreyfus over the last decade), has from its start up in 2012 managed to establish itself as a significant market participant in the fiercely competitive base metal concentrate market.

About Transamine Trading SA

Founded in Paris in 1953, Transamine is the world's oldest independent and privately held commodities trading company, with activities in ores and concentrates for metals including zinc, copper, lead, tin, lithium, cobalt, nickel and precious metals.

Transamine is headquartered in Geneva and has offices covering five continents. The company is widely regarded as a reliable and bankable offtake partner, with long-term successful relationships with miners, smelters and refiners alike.

The Company is not aware of any reason why ASX would not allow trading in the Company's securities to recommence immediately.

For further information please contact:

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New Century Typical Zinc Concentrate Assay

Element	Units
Zn	53.9 (%)
Ag	246 (ppm)
Au	0.59 (ppm)
Al ₂ O ₃	0.76 (%)
As	<0.01 (%)
BaO	<0.01 (%)
Bi	0.003 (%)
C	4.83 (%)
CaO	0.08 (%)
Cd	0.1 (%)
Cl	0.05 (%)
Co	0.003 (%)
Cr	0.1 (%)
Cu	0.52 (%)
F	<0.1 (%)
Fe	1.67 (%)
Ge	1.5 (ppm)
Hg	13 (ppm)
K ₂ O	0.23 (%)
MgO	0.13 (%)
Mn	0.11 (%)
Mo	0.023 (%)
Ni	0.06 (%)
P ₂ O ₅	0.05 (%)
Pb	1.87 (%)
Rb	0.003 (%)
S	27.8 (%)
Sb	<0.01 (%)
Se	45 (ppm)
SiO ₂	7.08 (%)
Sn	<0.01 (%)
Sr	<0.001 (%)
Te	0.2 (ppm)
Th	2 (ppm)
TiO ₂	0.05 (%)
U	<0.002 (%)
V	<0.001 (%)
Zr	<0.002 (%)
H ₂ O(%)	6-9%
Sizing (µm)	<40µm (pelletised)

About New Century Resources Limited

New Century Resources Limited (ASX:NCZ) is an ASX listed base metal development company targeting the recommencement of operations from the Century Zinc Mine in Queensland, Australia.

The Company has recently completed a Feasibility Study over the existing Ore Reserves (77.3Mt at 3.1% ZnEq¹) of the Century Zinc Mine, outlining a robust operation which is scheduled to become one of the top 10 zinc producers in the world and also in the lowest cost quartile globally.

The Company has all permits in place and is fully funded (subject to finalisation of the Sprott facility, see ASX announcement dated 11 October 2017), with >A\$100M in equity and debt available for operational restart in Q3 2018.

The proposed operations at Century will utilise the existing world class infrastructure at the mine, including a large scale multi train flotation plant, 700 person camp, private airport with sealed run way, mining fleet, grid power connection, 304km slurry pipeline and its own concentrate shipping port and transshipment vessel in Karumba.

In addition, Century boasts substantial Mineral Resources (9.3Mt at 10.8% Zn + Pb) which provide a significant opportunity for mine life extension and metal production increases from the scheduled operations.

Statement of JORC 2012 Compliant Resources & Reserves²

Mineral Resources	Tonnes (Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Oz)
South Block (Indicated)	6.1	5.3	1.5	43	322,000	90,000	8,550,000
Silver King (Inferred)	2.7	6.9	12.5	120	186,000	337,500	10,500,000
East Fault Block (Inferred)	0.5	11.6	1.1	48	60,000	5,500	800,000
TOTAL	9.3	6.1	4.7	66	568,000	433,000	19,850,000
Ore Reserves	Tonnes (Mt)	ZnEq (%)	Zn (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Oz)
Century Tails (Proved)	77.3	3.1	3.0	12	2,287,662	-	29,734,819

¹ The ZnEq calculation is located below the Statement of JORC 2012 Compliant Resources & Reserves.

² Rounding errors apply.

Zinc Equivalent Calculation

ZnEq was calculated for each block of the Century Tailings Deposit from the estimated block grades. The ZnEq calculation takes into account, recoveries, payability (including transport and refining charges) and metal prices in generating a zinc equivalent value for each block grade for Ag and Zn. $ZnEq = Zn\% + Ag \text{ troy oz/t} * 0.002573$. Metal prices used in the calculation are: Zn US\$3,000/t, and Ag US\$17.50/troy oz.

Competent Persons Statement

Mineral Resources

The information in this announcement that relates to Inferred Mineral Resources on the Silver King Deposit and the East Fault Block Deposit was first reported by the Company in its prospectus released to ASX on 20 June 2017, and the South Block Deposit was first reported by the Company to the ASX on 15 January 2018. 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 in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Ore Reserves

The information in this announcement that relates to the Ore Reserve at the Century Tailings Deposit was first reported by the Company in its ASX announcement titled "New Century Reports Outstanding Feasibility Results that Confirm a Highly Profitable, Large Scale Production and Low Cost Operation for the Century Mine Restart" dated 28 November 2017. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.