ASX / MEDIA ANNOUNCEMENT ASX: NCZ

30 April 2018

NEW CENTURY ANNOUNCES A FULLY UNDERWRITTEN $40M PLACEMENT TO COMPLETE THE CENTURY ZINC MINE RESTART

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

- **Placement allows New Century to be funded to complete the restart of operations at the 100% owned Century Zinc Mine**
- **First zinc concentrate production on track for Q3 2018 with restart costs and project development schedule in line with Restart Feasibility Study**
- **SRK Consulting has completed an independent technical review of the Century Tailings Project with commentary on the validity of key assumptions included in the Restart Feasibility Study**
- **Placement provides New Century with maximum flexibility, allowing for:**
  - **acceleration of phase 2 ramp up to 15Mtpa;**
  - **progression of exploration program and expansion study work; and**
  - **implementation of a potential zinc price & exchange rate hedging facility.**
- **New Century is well positioned for the near term evolution from mine developer to a globally significant zinc producer**

New Century Resources Limited (**ASX:NCZ**) (**New Century** or the **Company**) is pleased to announce a fully underwritten equity raising of approximately $40m net of costs by way of an Institutional Placement to professional and sophisticated investors (**Offer**). The proceeds of the Offer will fund the restart of the Century Zinc Mine and allow the Company to pursue its strategy of becoming a leading listed Australian zinc producer.

Company Update – On Track for Production in Q3 2018

Restart of Century Zinc Mine via initial Tailings Reprocessing

On 28 November 2017, the Company announced the Restart Feasibility Study, completed by Sedgman in collaboration with New Century, confirming the proposed initial tailings reprocessing operations at Century to represent a highly profitable, large scale operation with low startup capital requirements of A$62.5m (including working capital).

The restart of the Century Zinc Mine is well advanced, with total refurbishment and commissioning costs and project schedule in line with the Restart Feasibility Study. First production is expected in Q3 2018 at an initial processing capacity of 8Mtpa. Once in production, the Company plans to invest a further A$63m over a 15 month period to ramp up and bring the operation into full production at 15Mtpa.

The Restart Feasibility Study is based on processing of the Century Tailings Deposit only. The Century tenements also contain significant insitu Mineral Resources which provide the opportunity to extend the life of base metals operations beyond the Century Tailings Deposit. This opportunity is currently being evaluated via the Expansion Prefeasibility Study, which will provide an assessment of the near term potential to incorporate the insitu Mineral Resources into scheduled operations.

SRK Consulting Independent Technical Review

SRK Consulting (Australasia) Pty Ltd (**SRK**) has completed an Independent Technical Review (**Independent Review**) of the Century Tailings Project.

The scope of the Independent Review was to review the Mineral Resources and Ore Reserves, Hydraulic Mining, Metallurgy and Processing and Environmental aspects of the project as well as the technical basis of the input assumptions to the Restart Feasibility Study.

The Independent Review has provided commentary on the validity of key assumptions included in the Restart Feasibility Study.

The Independent Review has been released by New Century today via the ASX platform.

Century offtake Process, Funding & Hedging Strategy

New Century previously announced conditional terms for a US$45m (~A$58m) senior, secured debt facility to be provided by Sprott Resources Lending (**Sprott**) (see ASX announcement 11 October 2017), subject to due diligence, legal documentation and other customary conditions.

New Century has also recently secured a US$15m unsecured working capital facility associated with zinc concentrate offtake from MRI Trading AG (see ASX announcement 23 April 2018).

With New Century's offtake tender process now nearing completion and production scheduled to begin in Q3 2018, the Company is now also pursuing an objective to reduce overall project risk by hedging zinc prices and exchange rates.

As a result of obtaining the unsecured US$15m facility with MRI, New Century has reviewed its funding arrangements and determined not to proceed with the Sprott facility and will not enter into a binding facility agreement. The Company believes this decision provides it with greater financial flexibility given the restrictions on timing of the use of funds and other encumbrances required as part of a senior, secured debt facility with Sprott.

Accordingly, New Century considers an equity raising is in the best interests of its shareholders, allowing the Company to further de-risk both the restart and long term operations at Century Zinc Mine.

Ongoing MMG Limited financial support

In addition to the above, MMG Limited continue to fulfill their contractual obligations in providing a total of $46.6m in payments to support the funding of ongoing rehabilitation obligations, certain care and maintenance activities and meeting Century Zinc Mine's existing stakeholder payment obligations through:

- a contribution of $34.5m (comprising bi-annual payments of $5.75m) over three years ($17.25m received to date), to assist with ongoing care and maintenance activities and rehabilitation obligations; and
- a special purpose trust of $12.1m (current balance of approximately $4.0m), to ensure Century Zinc Mine meets its obligations contained in the Gulf Communities Agreement (the Native Title Agreement over the Century Zinc Mine).

Use of Proceeds

As at 23 April 2018, New Century's cash balance was approximately $23.5m, with costs incurred to date remaining on target with the scheduled costs of the Restart Feasibility Study. The timeline for completion of refurbishment and commissioning activities also remains on target.

The net proceeds of the Offer will be used to:

- fund remaining capital requirements (including working capital) to restart operations at Century Zinc Mine at the initial design capacity of 8Mtpa;
- accelerate the ramp up of operations at Century Zinc Mine to 15Mtpa (with any incremental funding requirements to come from operating cash flow);
- progress exploration and study work aimed at extending base metals operations beyond the Century Tailings Deposit via incorporation of insitu Mineral Resources; and
- fund corporate, general and administrative costs.

Offer Details

Under the terms of the Offer, institutional investors will subscribe for approximately 36.3 million new shares in the Company at A$1.15 per share (**Offer Price**), to raise net proceeds after costs of approximately A$40m. The Shares issued under the Offer (**New Shares**) will represent approximately 7.2% of the Company's undiluted share capital immediately following completion of the Placement. New Shares issued under the Offer will rank equally with existing New Century shares. An indicative timetable for the Offer is set out in the Appendix of this announcement.

The Offer Price of $1.15/share represents a discount of:

- 9.1% to New Century's closing price of A$1.265/share on the ASX as at 27 April 2018
- 8.5% to New Century's 5 day volume weighted average price of A$1.257/share up to and including 27 April 2018

Credit Suisse (Australia) Limited has been appointed as sole lead manager, bookrunner and underwriter to the Offer.

Investor Conference Call

The Company has scheduled an investor conference call at 11.30am (AEST) on Monday, 30 April 2018, the details of which are provided below.

Australia:	1800 123 296
New Zealand:	0800 452 782
Hong Kong:	800 908 865
Singapore:	800 616 2288
London:	0808 234 0757
International Toll:	+61 2 8038 5221

Conference passcode: **98 78 879**

For further information please contact:

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INDICATIVE TIMETABLE

Event	Date
Trading Halt	Monday, 30 April 2018
Announcement of Offer and Bookbuild	Monday, 30 April 2018
Trading Halt Lifted and Shares Resume Trading	Tuesday, 1 May 2018
Settlement of Offer	Monday, 7 May 2018
Issue and quotation of New Shares under the Offer	Tuesday, 8 May 2018

The above timetable is indicative only and subject to change without notice. All references to time are to Australian Eastern Standard Time (AEST). The commencement of quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, New Century reserves the right to amend this timetable at any time without notice.

SPECIFIC RISK FACTORS

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of in evaluating the Company's business and risks of investing in the Company. Potential investors should carefully consider the following factors in addition to the other information presented in this announcement.

The principal risks include, but are not limited to, the following:

Future Capital Requirements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Century Project is successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash, contributions from MMG Limited, Karumba rental income, the unsecured working capital debt facility with MRI Trading and the net proceeds of the Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term.

In order to successfully develop the Century Project and for production to commence, the Company may require further financing in the future, in addition to amounts raised pursuant to the Offer. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the then market price (or offer price under the Offer) or may involve restrictive covenants that limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, or if planned operations do not commence or generate sufficient revenues, the Company may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

In particular, MMG Limited has procured and will stand behind the ongoing provision of bank guarantees of $193.7 million to meet the Century Project financial assurance bond (lodged with the Queensland government) until 31 December 2026. The Company's strategy is to recommence operations by developing the Century Tailings Deposit, with operating profits being partially used to replace the MMG backed bank guarantees by 31 December 2026, whilst simultaneously reducing the financial assurance bond as rehabilitation activities proceed. There is no guarantee the Company will generate operating profits from the proposed tailings processing or be successful with its strategy. If the Company is unsuccessful with this strategy it will need to seek alternative funding to cover the bond. In those circumstances the Company's ability to continue as a going concern at that time will be materially affected.

As outlined in section 10.2(f) of the Company's Prospectus dated 20 June 2017 (**Recompliance Prospectus**), MMG Limited also has the ability to make cash calls in certain circumstances. To the extent that MMG: (i) deposits any amount of cash collateral in respect of any bank guarantee issued in support of a principal rehabilitation obligation, Century Mining Limited (**CML**) is required to provide an equal amount of cash to be applied against MMG's and CML's obligations in respect of any supported bank guarantee; (ii) provides CML with a notice of any regulatory change that will make a relevant facility illegal or impractical, or demands upon an event of default, CML must immediately pay MMG cash to cover any amounts owing concerning the supported bank guarantees at the time; and (iii) pays or is required to pay any amount in connection with a supported bank guarantee or related document, CML is required to cover those amounts, subject to CML failing to pay any due bank guarantee support fees, an event of default or a claim being made or threatened, or any payment being made, under a support bank guarantee. If any of the above events occurs, CML is required to pay those amounts by direct transfer of immediately available funds and pay interest on each amount that is not paid when due. Should CML not have adequate funds available if a cash call is made, then the Company may be forced to seek alternative funding. If the Company is unable to obtain additional funding as needed, this could have a material adverse effect on the Company.

In addition, MMG Limited will provide $46.6m in payments to support the funding of ongoing rehabilitation, care and maintenance and meeting CML's existing stakeholder payment obligations, through (a) a contribution of $34.5m (comprising bi-annual payments of $5.75m) over three years (with $17.25m already received), to assist with ongoing care and maintenance activities and rehabilitation obligations (**Support Payments**); and (b) $12.1m via a special purpose trust (current balance of approximately $4.0m), to ensure CML meets its obligations contained in the Gulf Communities Agreement (the Native Title Agreement over the Century Zinc Mine). CML must only use the Support Payments for permitted purposes, which include complying with environmental laws and making payments required under laws or regulations in connection with the Century Zinc Mine. In the event CML uses the Support Payments for a non-permitted purpose, CML will be required to repay the disputed amount and MMG will not be obligated to make any Support Payments until such amount has been repaid. There is a risk that the $12.1m provided by MMG may not be sufficient to satisfy any relevant obligation to which it relates under the Gulf Communities Agreement or otherwise. Should CML not have adequate funding to meet these obligations then the Company may be forced to seek alternative funding. If the Company is unable to obtain additional funding as needed, this could have a material adverse effect on the Company.

The Company may undertake additional offerings of shares and of securities convertible into shares in the future. The increase in the number of shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of shares. In addition, as a result of such additional shares, the voting power of the Company's existing shareholders will be diluted.

Default under guarantee and security arrangements

The Company and its subsidiaries are party to guarantee and security arrangements as summarised in the Recompliance Prospectus. Non-compliance with the various obligations imposed on the Company and the subsidiaries under the guarantee and security arrangements could lead to the loss of title to the Century Project. Further, the Company and its subsidiaries may also become liable to pay for losses sustained by relevant MMG Limited entities pursuant to the indemnity provided under the guarantee and security arrangements. If an indemnity payment became payable, it may have a material adverse effect on the Company's ability to continue as a going concern.

Native title and relations with GADC

The Company notes that CML is a party to the Gulf Communities Agreement and other native title agreements in connection with the Century Project, as summarised in the Recompliance Prospectus. Due to this and the customary nature of these agreements, the Directors consider the risk of not reaching agreements over native title with these potential claimants to be low. However, should the Company be unable to reach agreement within a reasonable time, the passage of time may lead to a materially adverse event for the Company. The enquiries undertaken up to the date of the Recompliance Prospectus have not uncovered anything to indicate that native title has not been addressed in accordance with the *Native Title Act 1993* (Cth).

Issues with local communities may materially and adversely affect the Company's operations. Issues with the local communities surrounding the areas where the Company proposes to operate now or in the future may arise from the implementation of the Company's business activities. These issues may result in community protests, road blockades and third party claims. The failure to successfully settle any local community issues could have a material and adverse effect upon the Company's business, prospects, financial condition and results of operations.

The Company notes that CML has poor relations with Gulf Aboriginal Development Company Limited (**GADC**), which was established to represent and act as agent for certain native title groups in the administration of the Gulf Communities Agreement, with litigation being threatened and allegations of fraud being made against GADC officers. The failure to successfully settle any native title group issues could have a material and adverse effect upon the Company's business, prospects, financial condition and results of operations.

Underwriting risk

The Company has entered into a placement agreement with the underwriter, who has agreed to manage and underwrite the Offer, subject to certain terms and conditions. If certain conditions are not satisfied or certain termination events occur, the underwriter may terminate the placement agreement. Those conditions include the lodgement of either a “cleansing” prospectus or a cleansing notice by the Company to facilitate trading of the New Shares on ASX. The termination events include (amongst others): a breach of the agreement by the Company; certain documents prepared in connection with the Offer (including the “cleansing” prospectus or cleansing notice, as applicable) being misleading or deceptive in a material respect; certain adverse regulatory action in respect of the Offer or certain documents prepared in connection with the Offer (including the “cleansing” prospectus or cleansing notice, as applicable); hostilities or war involving certain countries (including North Korea); changes in laws in Australia or changes in the managing director or board of the Company; between the date of this announcement and the settlement date for the Offer, the S&P/ASX 300 Resources Index closing 12.5% or more below its level as at the close of trading on the trading day immediately prior to the date of this announcement; certain insolvency events or a material adverse change occurring in respect of the Company and/or its subsidiaries; the announcement of a change of control transaction in respect of the Company; and certain other termination events. A number of these events will only give rise to a termination right where a materiality threshold (as outlined in the underwriting agreement) is satisfied.

Termination of the underwriting agreement could result in the Offer not proceeding or not raising the anticipated amount of proceeds, and accordingly materially adversely affect the Company’s business, cash flow and financial condition. In this event, the Company may be required to source funding by alternative means, which may result in additional costs (for example, by way of interest payments on debt) and/or restrictions being imposed on the manner in which the Company may conduct its business and deal with its assets (for example, by way of restrictive covenants binding upon the Company).

Regulatory risks

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

Financial assurance bond

Legislation in Queensland provides that the holders of an environmental authority may be required to provide to the Department of Environment and Heritage Protection (**Department**) financial assurance (as security) for compliance with the environmental authority. The present financial assurance provided to the Department for the Century Project is $193.7 million.

As part of the Company's plans to develop the Century Tailings Deposit, the Company is required to submit new plans of operations with the Department for approval. Each time a new plan of operations is received the Department will then make a new decision on the amount of financial assurance required for the Century Project. The Department may also, at any time, change the amount of financial assurance by notice to an environmental authority holder.

Despite the Company's strategy for the development of the Century Tailings Deposit being environmentally positive, with reprocessed tailings planned to be deposited back into the original open pit, there is a risk the Department may increase the amount of financial assurance. If such an increase were material, the Company would be required to raise additional capital or find alternative sources of financing on terms that are dilutive or may involve restrictive covenants which limit the Company's operations and business strategy.

Environmental risks

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

Joint venture parties, agents and contractors

The Company is unable to predict the risk of insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

Key Contracts risk

The Company has, or will in the future will seek to, enter into certain key contracts to support the commencement of tailings re-processing at Century Zinc Mine. There can be no guarantee that the Company will be able to negotiate and agree key contracts on acceptable terms.

There can also be no assurance that the Company's existing relationships will continue to be maintained or that new ones will be successfully formed, and the Company could be adversely affected by changes to such relationships or difficulties in forming new ones. Further, the Company may be adversely affected by a failure of a contractual counterparty to perform their obligations.

The obligations of the counterparties under some of these agreements may be subject to certain conditions precedent. There is no guarantee that these conditions precedent will be satisfied. Failure to satisfy these conditions precedent may result in the termination of the relevant agreements, which may in turn adversely impact the Company's revenue and profitability.

Key personnel and labour market risk

The Company has a number of key management personnel on whom it depends to run its business. In addition, the Company, from time to time, will require additional key personnel or operational staff. The loss of any key personnel, coupled with any inability to attract suitably qualified replacement personnel, or the inability to attract suitably qualified additional personnel, could have a material adverse effect on the Company's operational and financial performance. A limited supply of skilled workers could lead to an increase in labour costs and with Company being ultimately unable to attract and retain the employees it needs. When new workers are hired, it may also take a considerable period of training and time before they are equipped with the requisite skills to work effectively and safely.

Exploration, development, commissioning, mining and processing risks

The prospects of the Company should be considered in light of the risks, expenses and difficulties frequently encountered by companies at this stage of development.

The business of mineral exploration, project development, project commissioning and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors and there can be no assurance that the Century Project will be brought into commercial production. There can be no assurance that any additional exploration of the tenements to be held by the Company will result in the discovery of an economic mineral deposit. Even if a mineral deposit is identified, there is no certainty that it can be economically exploited. If exploration is successful, there will be additional costs and processes involved in transitioning to the development phase.

In the event that exploration development and exploration programs prove to be unsuccessful, this could lead to a diminution in the value of the licences, a reduction in the base reserves of the Company and possible relinquishment of the licences.

Each tenement licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in these tenements if licence conditions are not met or insufficient funds are available to meet expenditure commitments.

Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

i. identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;

ii. developing an economic process route to produce a metal and/or concentrate; and

iii. changes in mineralogy in the ore deposit, such as areas of increased oxidation, can result in inconsistent metal recovery, affecting the economic viability of the project.

Commodity price volatility and exchange rate risk

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of zinc, lead, silver and phosphate. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any off-take agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for zinc, lead, silver and phosphate that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

Estimation of Mineral Resources and Ore Reserves

There is a degree of uncertainty to the estimation of Mineral Resources and Ore Reserves and corresponding grades being mined or dedicated to future production. Until Mineral Resources or Ore Reserves are actually mined and processed, the quantity of Mineral Resources and Ore Reserves must be considered as estimates only. In addition, the grade of Mineral Resources and Ore Reserves may vary depending on, among other things, zinc, lead, silver and phosphate prices. Any material change in quantity and grades of Mineral Resources, Ore Reserves, or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in the price of commodities including zinc, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any mineral resource estimate may require revision of such estimate. Any material reductions in estimates of Mineral Resources and/or Ore Reserves, could have a material adverse effect on the Company's financial condition.

Conflicts of interest

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development. These engagements are summarised in the Company's Recompliance Prospectus dated 20 June 2017. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance. Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

GENERAL RISK FACTORS

Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Insurance Risks

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company effected.

Litigation risks

The Company is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities. So far as the Directors are aware, there is no other current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

Government and legal risk

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

Tax risk

The Company is, or will be, subject to taxation and other imposts in Australia, as well as other jurisdictions in which the Company has activities and investments. Changes in taxation laws (including transfer pricing), or changes in the interpretation or application of existing laws by courts or applicable revenue authorities, may affect the taxation of the Company's business activities and adversely affect the Company's financial condition.

Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

i. general economic outlook;

ii. introduction of tax reform or other new legislation;

iii. interest rates and inflation rates;

iv. changes in investor sentiment toward particular market sectors;

v. the demand for, and supply of, capital; and

vi. terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to security holders arising from the transactions the subject of the Offer or otherwise.

Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under the Offer. Therefore, the New Shares to be issued pursuant to the Offer carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to the Offer.

INTERNATIONAL OFFER RESTRICTIONS

This announcement does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

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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 is progressing the development of operations focused on the existing Ore Reserves (77.3Mt at 3.1% ZnEq) (see below for ZnEq calculation details) of the Century Zinc Mine, targeting 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 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 transhipment 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.

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 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.

Important Notices

This announcement is not a financial product or investment advice, a recommendation to acquire Shares or financial, accounting, legal or tax advice and is not a prospectus, product disclosure statement or other offer document under Australian law or the law of any other jurisdiction. The information in this announcement does not contain all the information necessary to fully evaluate an investment. It should be read in conjunction with the other materials lodged with ASX in relation to the Offer (including the key risks set out in this announcement), and New Century's other periodic and continuous disclosure announcements.

This announcement has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the information in this announcement in relation to the Offer having regard to their own objectives, financial and tax situation and needs, and should seek legal, tax and other professional advice.

New Century is not licensed to provide financial product advice in respect of an investment in shares. Cooling off rights do not apply to the acquisition of New Shares.

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any Shares and neither this announcement nor anything contained in it shall form the basis of any contract or commitment.

In particular, this announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**)and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws."

This announcement contains certain forward-looking statements. The words "expect", "should", "will", and other similar expressions are intended to identify forward-looking statements. Forward-looking statements in this announcement include statements regarding: the timetable and outcome of the equity offer and the use of the proceeds thereof, the viability of future opportunities, future market supply and demand. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. To the extent that this announcement contains forward looking information, the forward looking information is subject to a number of risk factors, including those generally associated with the mining industry.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward-looking statements in this announcement speak only as of the date of this announcement. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this announcement to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this announcement will under any circumstances create an implication that there has been no change in the affairs of New Century since the date of this announcement.

Past performance

Past performance information referred to in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future performance or condition. Investors should note that past performance, including past share price performance, of New Century cannot be relied upon as an indicator of (and provides no guidance as to) future performance including future share price performance. Historical information referred to in this announcement is, or is based on, information that has previously been released to the market.

Underwriter

None of the underwriter or any of its affiliates or related bodies corporate or any of their respective representatives, advisers or directors, officers, partners, employees, agents (collectively **Underwriter Parties**), have authorised, permitted or caused the issue, submission, dispatch or provision of this announcement and none of them makes or purports to make any statement in this announcement and there is no statement in this announcement which is based on any statement by any of them. To the maximum extent permitted by law, the Underwriter Parties exclude and disclaim all liability of whatsoever nature in relation to this announcement and the Offer, including for any expenses, losses, damages or costs incurred by any person as a result of participation in the Offer or the information in this announcement being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. To the maximum extent permitted by law, the Underwriter Parties make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this announcement and the Underwriter Parties take no responsibility for any part of this announcement or the Offer. The Underwriter Parties make no recommendations as to whether any person should participate in the Offer nor do they make any representations or warranties concerning the Offer. You represent, warrant and agree that you have not relied on any statements made by any of the Underwriting Parties underwriters, its advisers or any of its affiliates, related bodies corporate, directors, officers, partners, employees.

JORC Reporting

Investors should note that it is a requirement of the ASX listing rules that the reporting of ore reserves and mineral resources in Australia comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves 2012 Edition (**JORC Code**), whereas mining companies in other countries may be required to report their mineral reserves and/or resources in accordance with other guidelines (for example, SEC Industry Guide 7 in the United States). Investors should note that while the Company's mineral resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, and do not comply with SEC Industry Guide 7. In particular, SEC Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC does not permit mining companies to disclose their mineral resources including measured, indicated or inferred resources in SEC filings. Accordingly, if the Company were reporting in accordance with SEC Industry Guide 7, it would not be permitted to report any mineral resources, and the amount of reserves it has estimated may be lower. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them. In addition, investors should note that under SEC Industry Guide 7, mine life may only be reported based on ore reserves.

Financial data

All dollar values are in Australian dollars ($ or A$) unless stated otherwise.