



28th October 2019

ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Dear Sir/Madam

ENTITLEMENT OFFER CLEANSING NOTICE UNDER SECTION 708AA(2)(F) CORPORATIONS ACT

This notice is given by Zenith Minerals Limited (ABN 96 119 397 938) (ASX Code: ZNC) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* (**Act**), as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument**).

On 28 October 2019, Zenith Minerals Limited (**Company**) announced a capital raising of approximately \$1.95 million (before costs) through a non-renounceable entitlement offer of 1 (one) fully paid ordinary share (**New Share**) for every 6 (six) existing shares to shareholders with a registered address in Australia, New Zealand, Singapore, Switzerland or the United Kingdom (**Eligible Shareholders**) held as at 5.00pm (AEDT) on Thursday, 31 October 2019 (**Record Date**) (**Entitlement Offer**).

Pursuant to the Entitlement Offer, the Company will issue approximately 35,519,116 New Shares at an issue price of \$0.055 each, to raise approximately \$1.95 million (before costs).

Further details regarding the Entitlement Offer are set out in the ASX announcement preceding this notice.

The Company states that:

- (a) the Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the ASIC Instrument;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the ASIC Instrument;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no “excluded information” within the meaning of sections 708AA(8) and 708AA(9) of the Act as notionally modified by the ASIC Instrument; and
- (e) the potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of the Company is as follows:
 - (i) if all eligible shareholders as at the Record Date take up their full entitlements, the Entitlement Offer will have no effect on the control of the Company;
 - (ii) if some shareholders do not take up their entitlements (whether because they are ineligible shareholders or otherwise), their interest in the Company will be diluted. The interests of shareholders who only take up part of their entitlement will also be diluted but to a lesser extent;
 - (iii) the proportional interests of shareholders with an address outside of Australia, New Zealand, Singapore, Switzerland or the United Kingdom will be diluted because such shareholders are not entitled to participate in the Entitlement Offer; and



- (iv) the potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including investor demand and existing shareholdings. However, having regard to the terms of the Entitlement Offer which is structured as a pro rata issue and the shortfall offer to be offered in conjunction with the Entitlement Offer, at this time, the Entitlement Offer is not expected to have any material effect on the control of the Company and, as a result, there is not expected to be any consequences flowing from that effect.

Yours faithfully

Michael Clifford
Managing Director
Zenith Minerals Limited