

8 January 2018

ASX ANNOUNCEMENT

\$2.4 million raised through exercise of 99% of listed options

The Directors of Zenith Minerals Limited are pleased to announce that the Company has raised \$2.4 million through the exercise of approximately 24 million listed 10 cent options (ZNCO).

Approximately 99% of the listed options were exercised prior to expiry on 31 December 2017. The funds raised will allow the Company to fast track the evaluation of its high quality, lithium, gold and base metals exploration portfolio, with important short term upcoming activity summarised below and key projects shown overleaf:

Split Rocks Lithium & Gold, WA (ZNC 100%) - Infill and extensional geochemical sampling is planned for January 2018 to better define strong lithium surface anomalies prior to drilling on Zenith 100% owned tenements at Split Rocks in the emerging Forrestania lithium district. Zenith holds exploration licences covering around 500km² located 10km north west of the Earl Grey lithium deposit (ASX:KDR and lithium major SQM). In addition assay results from recent RAB drilling of gold targets are awaited prior to planning of follow-up.

Waratah Well Lithium -Tantalum Project WA (ZNC 100%) - Systematic soil sampling is planned for late January over extensive outcropping pegmatites to follow up encouraging lithium rock chip sample results up to 0.34% Li₂O as well as widespread, high-grade tantalum up to 1166ppm Ta₂O₅.

Kavaklitepe Gold Joint Venture Turkey (ZNC 30%) - Drilling is planned to follow up initial drill results including 9 m @ 5.2 g/t Au from surface, 7.8 m @ 7.3 g/t Au from 3.3 m and 16.4m @ 4.7 g/t Au from 82.1m depth, to scope out the size and tenor of gold mineralisation (Zenith is contributing its 30% equity).

USA/Mexico Lithium JV (BraddaHead Limited earning 55%) - The Company anticipates strong news flow as drilling occurs on multiple projects throughout the year at Zenith's American Lithium JV. Projects include 3 lithium brine targets in the Nevada, USA and Mexico, as well as a lithium pegmatite and a lithium clay project in Arizona, USA which are all being funded by joint venture partner Bradda Head Limited, backed by UK billionaire Jim Mellon. Bradda Head is earning an initial 55% equity in the American lithium JV by spending US\$3 million on the projects. Bradda Head is aiming to list on the London Alternative Investment Market (AIM) in early 2018.

M Clifford
Director

8 January 2018
Perth, WA



Zenith is advancing its project portfolio of high-quality, gold, lithium and base metal projects:

Kavaklitepe Gold Project, Turkey (ZNC 30%, Teck 70%)

- Recent (2013) grass roots gold discovery in Tethyan Belt
- Continuous rock chip sampling to: 54m @ 3.33g/t gold, including 21.5m @ 7.2 g/t gold
- 2016 drill results include: 9 m @ 5.2 g/t Au from surface, 7.8 m @ 7.3 g/t Au from 3.3 m and 16.4m @ 4.7 g/t Au from 82.1m depth. Follow-up drilling planned early 2018.

American Lithium Projects (Bradda Head earning initial 55%)

Zacatecas Lithium Brine Project, Mexico

- New tenure (26,000 acres) over extensive system of salt lakes within an emerging lithium brine district
- Lithium brines to 2.1% lithium reported in sampling conducted by the Mexican Government from solar evaporation ponds for salt production (10km west of Zenith's new tenure).
- Electrical geophysical surveys planned

San Domingo Lithium, Arizona USA

- 9km x 1.5km lithium pegmatite field, initial surface sampling returned: 5m @ 1.97%Li₂O including 2.4m @ 2.49% Li₂O - Drill permitting in progress

Spencer & Wilson Salt Flat Lithium Brine Projects, Nevada USA

- Two lithium brine targets in producing lithium region - Geophysical surveys & infill sampling prior to drilling

Burro Creek Lithium, Arizona USA (ZNC option to acquire)

- Large scale lithium (Li) clay target under exclusive option - Positive initial metallurgical testwork to assess ease of extracting lithium, permitting for trenching and drilling in progress.

Australian Projects

Develin Creek Copper-Zinc-Silver-Gold, QLD (ZNC 100%)

- 3 known VHMS massive sulphide deposits - JORC resources, 50km of strike of host rocks.
- 2011 drilling: 13.2m @ 3.3% copper, 4.0% zinc, 30g/t silver & 0.4g/t gold - Drilling planned to extend known deposits, geophysics, geochemistry to detect new targets

Split Rocks Lithium & Gold, WA (ZNC 100%)

- 100% owned exploration licences covering 500km² in emerging Forrestania lithium district.

Tate River Gold QLD (ZNC earning up to 70%)

- Trenching returned 5m @ 3.9g/t Au as well as widespread strongly anomalous gold zones such as 166m @ 0.14g/t Au.

Red Mountain Gold-Silver Project QLD (ZNC 100%)

- Initial reconnaissance rock chip sampling results up to 114 g/t silver and 0.69 g/t gold, associated with strong, open ended silver soil anomaly. Follow-up sampling planned

Waratah Well Lithium -Tantalum Project WA (ZNC 100%)

- Extensive outcropping pegmatites (3km x 2km) in north east of tenure, encouraging lithium rock chip sample results up to 0.34% Li₂O as well as widespread, high-grade tantalum up to 1166ppm Ta₂O₅.

Earaheedy Manganese Project, WA (ZNC 100%) - Manganese province discovered by ZNC, potential DSO drill intersections (+40%Mn)

Mt Alexander Iron Ore, WA (ZNC 100%) - JORC magnetite Resource 566 Mt @ 30.0% Fe close to West Pilbara coast, 50% of target untested - Seeking development partner/ buyer for iron project



Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.