



ASX & MEDIA RELEASE

Zenith
Minerals
Limited

ABN 96 119 397 938

QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING 30th SEPTEMBER 2019 HIGHLIGHTS

ASX CODE: ZNC

Exploration / Development

- Split Rocks Lithium & Gold – Aus
- Red Mountain – Gold-Silver Aus
- Laramie REE – Wyoming USA
- Develin Creek Copper-Zinc-Gold
- American Lithium JV
- Kavaklitepe Gold JV- Turkey

Details as at 30th Sep 2019

Issued Shares (ZNC)	212.8 m
Unlisted options	4.15 m
Mkt. Cap. (\$0.06)	A\$13m
Cash as at 30 th Sep 2019	\$0.64m
Debt	Nil

Directors

Michael Clifford	Managing Director
Mike Joyce	Non Exec Chairman
Stan Macdonald	Non Exec Director
Julian Goldsworthy	Non Exec Director
Graham Riley	Non Exec Director

Major Shareholders

HSBC Custody. Nom.	12.2%
Nada Granich	5.4%
J P Morgan	4.8%
Miquilini	4.3%
Abingdon	4.1%

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Split Rocks Gold & Lithium Project – WA

Zenith's initial 16-hole drill program of approximately 2000m successfully confirmed bedrock gold targets beneath the currently operating Dulcie Heap Leach Gold Project (DHLGO) - held by a 3rd party. Better results include: **10m @ 2.20 g/t Au** from 60m including **6m @ 3.32 g/t Au**, **5m @ 3.23 g/t Au** from 8m plus **4m @ 1.48 g/t Au** from 44m and **1m @ 3.79 g/t Au** from 124m, **5m @ 2.04 g/t Au** from 34m including **2m @ 3.94 g/t Au** and **2m @ 2.56 g/t Au** from 32m (ZNC ASX Release 28th Oct 19). Two new Exploration Licences successfully secured taking total area of the Split Rocks project to over 650 sqkm).

Laramie REE Project – Wyoming USA

New 100% owned Laramie REE Project secured in Wyoming USA. Initial sampling and mapping by Zenith in two key areas 3km apart has returned up to 0.54% TREO, with the 23 highest results from 29 samples taken from the two key areas held under application by Zenith averaging 0.34% TREO (ZNC ASX Release 17th Oct 2019). Follow-up sampling results awaited.

American Lithium JV

Maiden Inferred Mineral Resource estimate of 42.6 million tonnes @ 818 ppm Li (lithium) and 3.3% K (potassium) using a lower cut-off grade of 300 ppm Li for the near surface lithium clay mineralisation at the **Burro Creek** East area in Arizona USA (as announced to ASX on 12th Aug 2019).

Other Australian Projects

Geophysical survey results received post the end of the quarter for the **Red Mountain Project** provide strong support for gold target. IP chargeability anomaly occurs adjacent to zones of high-grade gold in surface results, including: high-grade gold in soils up to 2210 ppb Au (2.2g/t Au), 1600ppb Au, 550ppb Au and 320ppb Au with supporting gold and silver in rock sample results up to 2.01 g/t Au and 114 g/t Ag, that are associated with a felsic volcanic breccia complex.

Rumble Resources (ASX:RTR) elected to exercise the **Earaheedy Zinc** project option. Zenith received an additional \$350,000 in RTR shares and RTR will free carry Zenith's 25% interest to the completion of a bankable feasibility study (BFS). Recent drilling by Rumble identified a previously unrecognised sandstone unit which hosts the higher-grade Zn-Pb mineralisation (results including 7m @ 4.85% Zn + Pb). Wide spaced drilling is planned in Dec 2019 targeting where the Zn-Pb mineralised sandstone sub-basins come to the surface under cover – over 13kms of strike.

Subsequent to the end of the quarter RTX commenced a drill program at the **Vivash Iron** project in the Pilbara WA.

Corporate

On the 28th October 2019 the Company announced a capital raising by way of an Entitlement Offer to existing shareholders. The capital raising will be undertaken through a non-renounceable entitlement offer of one (1) new fully paid ordinary share for every six (6) existing fully paid ordinary shares held by Eligible Shareholders as at 5.00pm (AEDT) on Thursday, 31 October 2019.

The new shares will be issued at a price of A\$0.055 per share, representing a discount of 13% to the last closing price on Wednesday, 23 October 2019 and a discount of 17% to the 30-day volume weighted average price of Zenith ordinary shares.

ZENITH'S EXPLORATION PROJECTS

Recent strong gold results from our 100% owned Split Rocks in the Forrestania belt, and Red Mountain in Queensland warrant immediate follow up, along with continued work on lithium targets at Split Rocks, Waratah Well, and progressing our new wholly owned REE project in Wyoming.

In conjunction with partner funded exploration particularly on overseas gold and lithium projects, should see shareholders exposed to considerable high-impact project activity in next 12 months.

SPLIT ROCKS LITHIUM & GOLD PROJECT – WA (Zenith 100%)

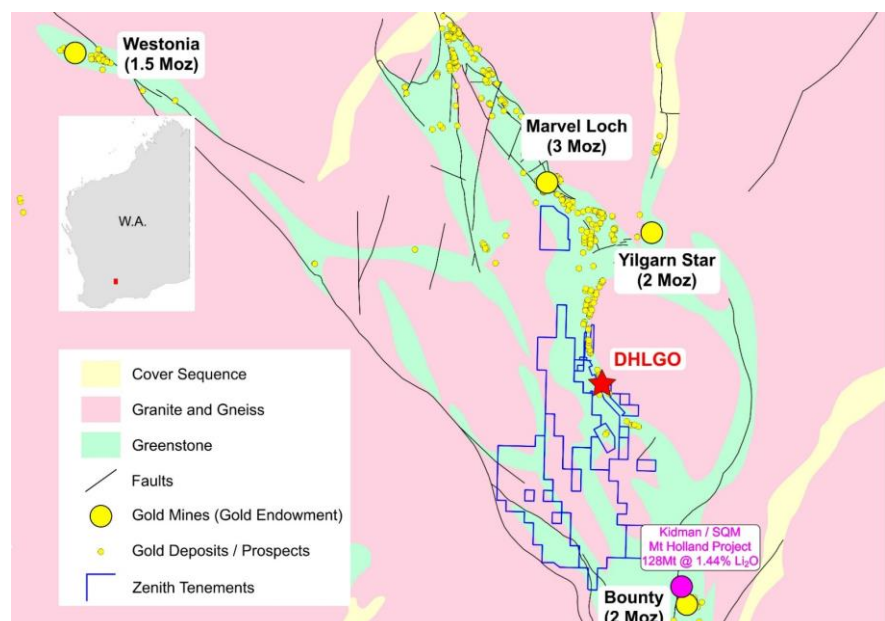
- The 100% owned Split Rocks Project covers a large portion (total area >500sqkm) of the Forrestania Greenstone Belt of Western Australia. This emerging lithium district is host to the new Earl Grey lithium deposit containing 189Mt @ 1.5% Li₂O (KDR ASX Release 19th Mar 2018).
- RC drill testing of the Dulcie lithium pegmatite target confirmed thick pegmatite bodies containing broad anomalous levels of lithium including: 79m @ 284ppm Li₂O with a peak value of 1m @ 1072ppm Li₂O. Pegmatite body remains open to the north and west (ZNC ASX release 14 Aug 2018).
- Soil sampling defined 7 lithium anomalies to date, of which 5 have had preliminary shallow drill tests.
- Significant gold mineralisation at the Dulcie Prospect includes: 5m @ 2.51 g/t gold including 1m @ 8.79 g/t gold & 2m @ 6.54g/t gold, ZNC ASX Release 5th June 2018 – follow-up drilling to be completed.
- Option on bedrock gold & lithium rights over adjoining Dulcie Heap Leach Operation. High-grade historic drill results include: 6.0m @ 16.91 g/t Au, 2.0m @ 32.73 g/t Au, 2.0m @ 16.5 g/t Au, 2.0m @ 15.40 g/t Au, 5.0m @ 4.73 g/t Au, 4.0m @ 4.90 g/t Au & 9.0m @ 2.10g/t Au. Several high-priority drill targets for follow-up.
- Zenith's initial 16-hole drill program of approximately 2000m successfully confirmed bedrock gold targets beneath the currently operating Dulcie Heap Leach Gold Project (DHLGO) - held by a 3rd party. Better results include: 10m @ 2.20 g/t Au from 60m including 6m @ 3.32 g/t Au, 5m @ 3.23 g/t Au from 8m plus 4m @ 1.48 g/t Au from 44m and 1m @ 3.79 g/t Au from 124m, 5m @ 2.04 g/t Au from 34m including 2m @ 3.94 g/t Au and 2m @ 2.56 g/t Au from 32m (ZNC ASX Release 28th Oct 19).
- Highly encouraging initial reconnaissance surface sample results up to 0.39% Li₂O from pegmatite bodies on the recently optioned Dulcie Heap Leach Gold Operation tenure.

Activities During the Quarter

Zenith's initial 16-hole drill program of approximately 2000m successfully confirmed bedrock gold targets beneath the currently operating Dulcie Heap Leach Gold Project (DHLGO) - held by a 3rd party. Better results include: **10m @ 2.20 g/t Au** from 60m including: **6m @ 3.32 g/t Au**, **5m @ 3.23 g/t Au** from 8m plus **4m @ 1.48 g/t Au** from 44m and **1m @ 3.79 g/t Au** from 124m, **5m @ 2.04 g/t Au** from 34m including **2m @ 3.94 g/t Au** and **2m @ 2.56 g/t Au** from 32m (ZNC ASX Release 28th Oct 19) refer to Figures 1 & 2.

The Company has an exclusive right to explore the DHLGO project for bedrock gold mineralisation beneath the large laterite rich gold cap currently being mined and treated on leases located contiguous with Zenith's Split Rocks project licences, located in the Forrestania greenstone belt, Western Australia (Figure 1).

Figure 1- DHLGO Prospect and Split Rocks Project Location Map Showing Regional Gold Endowment



Historical exploration reports on the area of the DHLGO leases highlight that high-grade gold mineralisation is predominantly hosted by moderately west dipping BIF units (Figure 2). High-grade historic drill results include: **6.0m @ 16.91 g/t Au, 2.0m @ 32.73 g/t Au, 2.0m @ 16.5 g/t Au, 2.0m @ 15.40 g/t Au, 5.0m @ 4.73 g/t Au, 4.0m @ 4.90 g/t Au and 9.0m @ 2.20g/t Au**, presenting several high-priority target zones for follow-up by Zenith. Historic holes were drilled either vertical or at -60° east. Assuming moderate west dipping gold mineralisation then the intersection widths will be close to true widths, however there is insufficient drill density to be confident that all gold zones are dipping west and therefore caution must be applied regarding the widths of reported gold zones.

Most historic drill holes have only focused on the near surface laterite rich gold zone with the average drill hole depth for the project area only 19.7m (1,777 historic shallow holes).

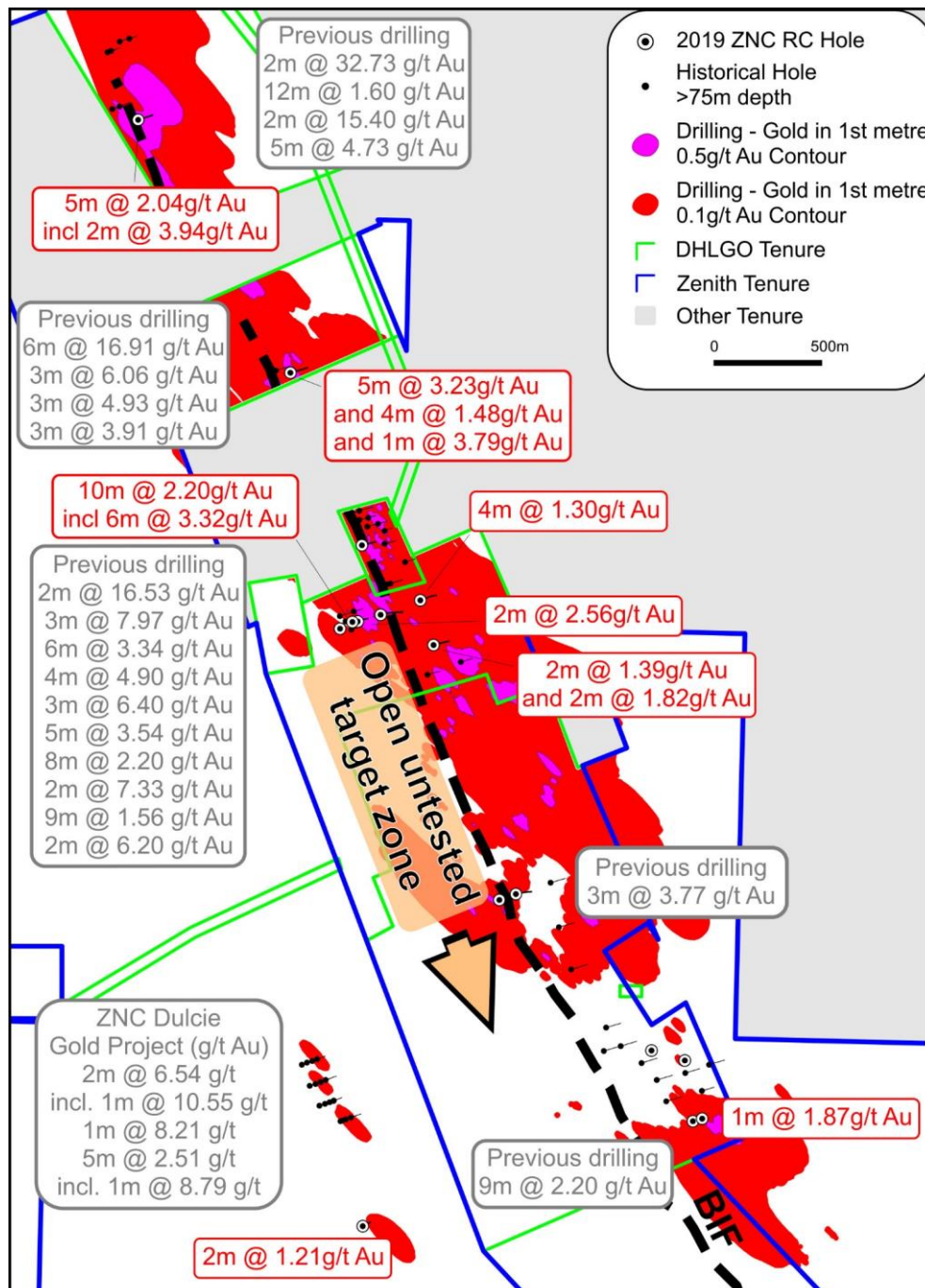


Figure 2- DHLGO Prospect -Plan Showing Significant Zenith Drill Results and Historic Gold Drill Intersections

Zenith has been systematically exploring its 100% owned Split Rocks project with landholdings of approximately 500 sqkm in the Forrestania greenstone belt. This emerging lithium district is host to SQM-Kidman's Mt Holland/Earl Grey lithium deposit containing 189Mt @ 1.5% Li₂O (KDR:ASX Release 19th Mar 2018), refer to Figure 3.

Surface sampling by Zenith returned high lithium values up to 0.39% Li₂O returned from a small pegmatite outcropping beneath surface laterite at the DHGO as announced to the ASX on the 13th May 2019. Two holes were drilled to provide an initial first pass assessment of this lithium target. A relatively thin pegmatite was intersected with assays for lithium and associated elements to come.

The area drill tested is located immediately east of Zenith's Dulcie lithium target, where drilling by Zenith has confirmed thick pegmatite bodies (up to 79m downhole widths) – containing broad anomalous levels of lithium throughout 79m @ 284ppm Li₂O with a peak value of 1m @ 1072ppm Li₂O.

During the quarter two new Exploration Licences were successfully secured adding another 150 sqkm to Zenith's 100% owned land position, taking total area of the Split Rocks project to over 650 sqkm (ZNC ASX Release 14th Oct 2019).

An initial review of historical data for the 2 new licences and Zenith's immediately adjoining existing tenure has highlighted extensions to known lithium and gold prospectivity and identified iron ore potential, with new targets including:

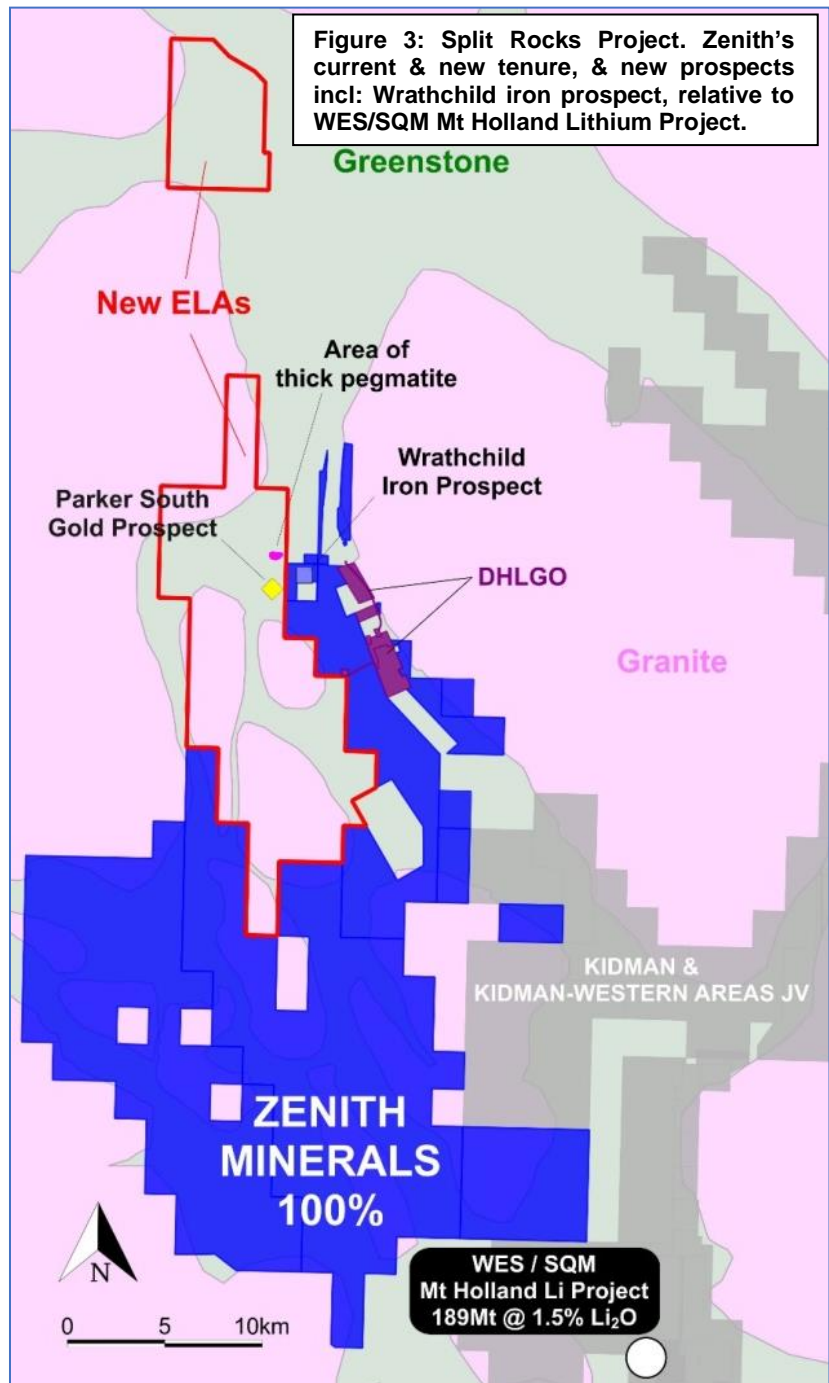
- o **Lithium - Thick pegmatites (up to 65m true width) recorded in logs of historical (1980's) drill holes** have not been analysed for lithium and associated elements;

- o **Gold - Parker South gold prospect** has drill intersections incl. **10m @ 0.64g/t Au**;

- o **Iron Ore - Wrathchild iron ore prospect** ~15 km south of the Parker Range iron project which was recently purchased by Mineral Resources Ltd (ASX-MIN) for \$20 million cash plus royalty¹. Wrathchild drilled with only 12 RC holes over approximately 1km strike of hematite enriched Banded Iron Formation (BIF) outcrop, best intersections include: **13m @ 56.9% Fe incl. 9m @ 58% Fe, and 27m @ 54.2% Fe incl. 12m @ 55.9% Fe**.

Planned Programs at Split Rocks

Compilation and interpretation of results from the initial drill campaign testing bedrock targets at the DHLGO. Planning and preparation for follow-up drill program. Further review and compilation of historic exploration activity over the new northern Split Rocks exploration licence areas.



LARAMIE REE PROJECT

- New 100% owned Laramie Rare Earths (REE) Project secured via leasing and staking in Wyoming USA:
- Zenith surface rock sampling has returned widespread TREO (Total Rare Earth Oxide) grades up to 0.54% in two initial sampling areas 3km apart with strong values of high-value neodymium, praseodymium and dysprosium;
- Applications lodged first in time for State and Federal lands covering the most promising areas from recent Zenith sampling;
- REE's are reported to occur predominantly as the mineral allanite hosted by clinopyroxene and hornblende syenites within a late stage 30 sqkm monzonitic pluton that is the youngest and most highly differentiated part of a very large anorthosite complex, providing Zenith with the opportunity to define a very large-scale exploration target once initial follow-up work is completed;
- REE's listed as critical minerals in USA report "A Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals 1". Strong Federal Government support to secure USA domestic REE supply.
- Wyoming is home to multiple existing major mining operations and the project area has excellent existing road and rail infrastructure; and
- Assays are pending for the balance of first pass samples and more detailed and systematic traverse chip sampling and mapping to assess size potential, leading to drill testing.

Activities During the Quarter

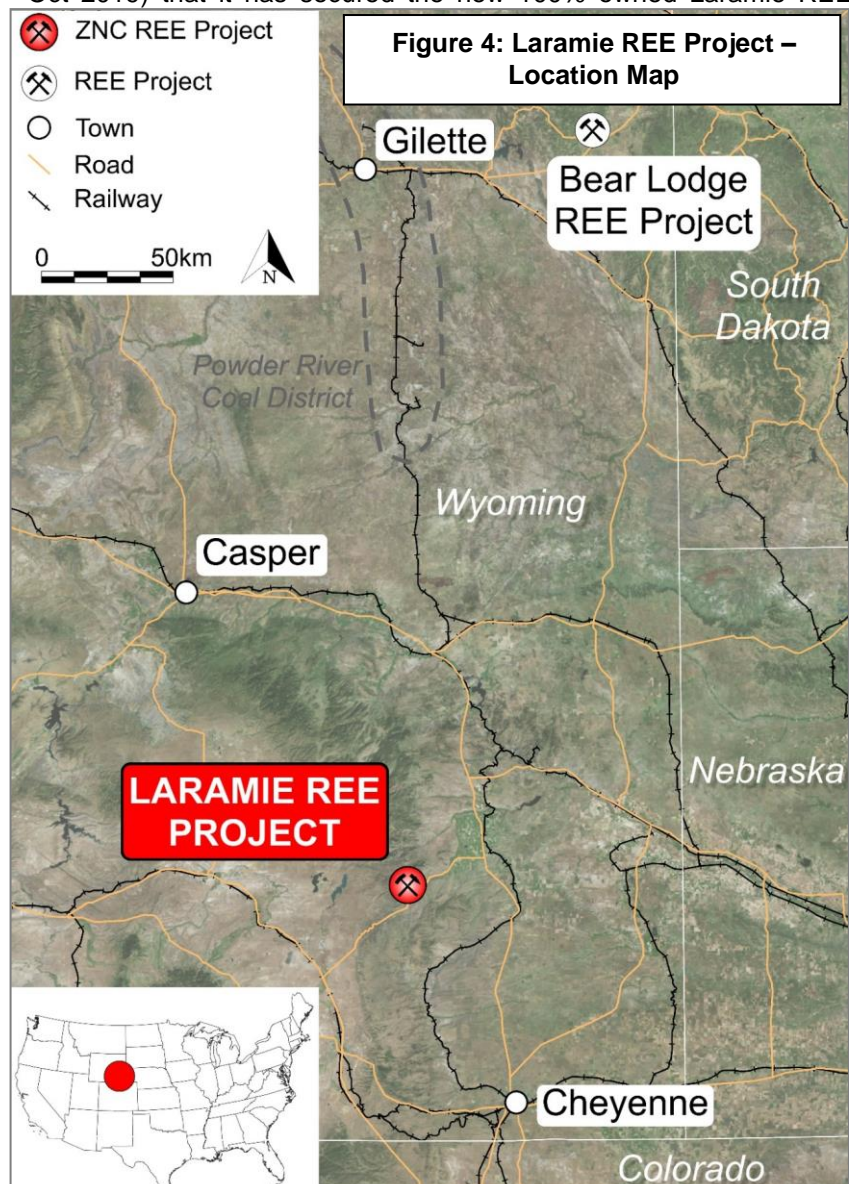
Zenith announced (ZNC ASX Release 17th Oct 2019) that it has secured the new 100% owned Laramie REE Project in Wyoming USA (Figure 4). Wyoming is home to multiple existing major mining operations (coal and uranium) and has local engineering and construction companies capable of supporting mine project development.

The project area has excellent existing infrastructure being located 3km from the national road network, 30km to interstate and 35km to rail, in addition Wyoming has abundant low-cost commercial electricity. Rare Element Resources (TSX:RES) are currently assessing the advanced Bear Lodge REE project in north east Wyoming.

Initial sampling and mapping by Zenith in two key areas 3km apart has returned up to 0.54% TREO, with the 23 highest results from 29 samples taken from the two key areas held under application by Zenith averaging 0.34% TREO (Figure 5).

The Laramie REE Project occurs within the Laramie Anorthosite Complex a Proterozoic massif consisting of three anorthositic intrusions, three syenitic to monzonitic intrusions and several smaller intrusions of leucogabbro and ferrodiorite.

REE's are reported to occur at the Laramie REE project predominantly as the mineral allanite hosted by clinopyroxene and hornblende syenites that are part of a very large differentiated Laramie anorthosite complex, providing Zenith with the opportunity to define a very large-scale exploration target once initial follow-up work is completed.



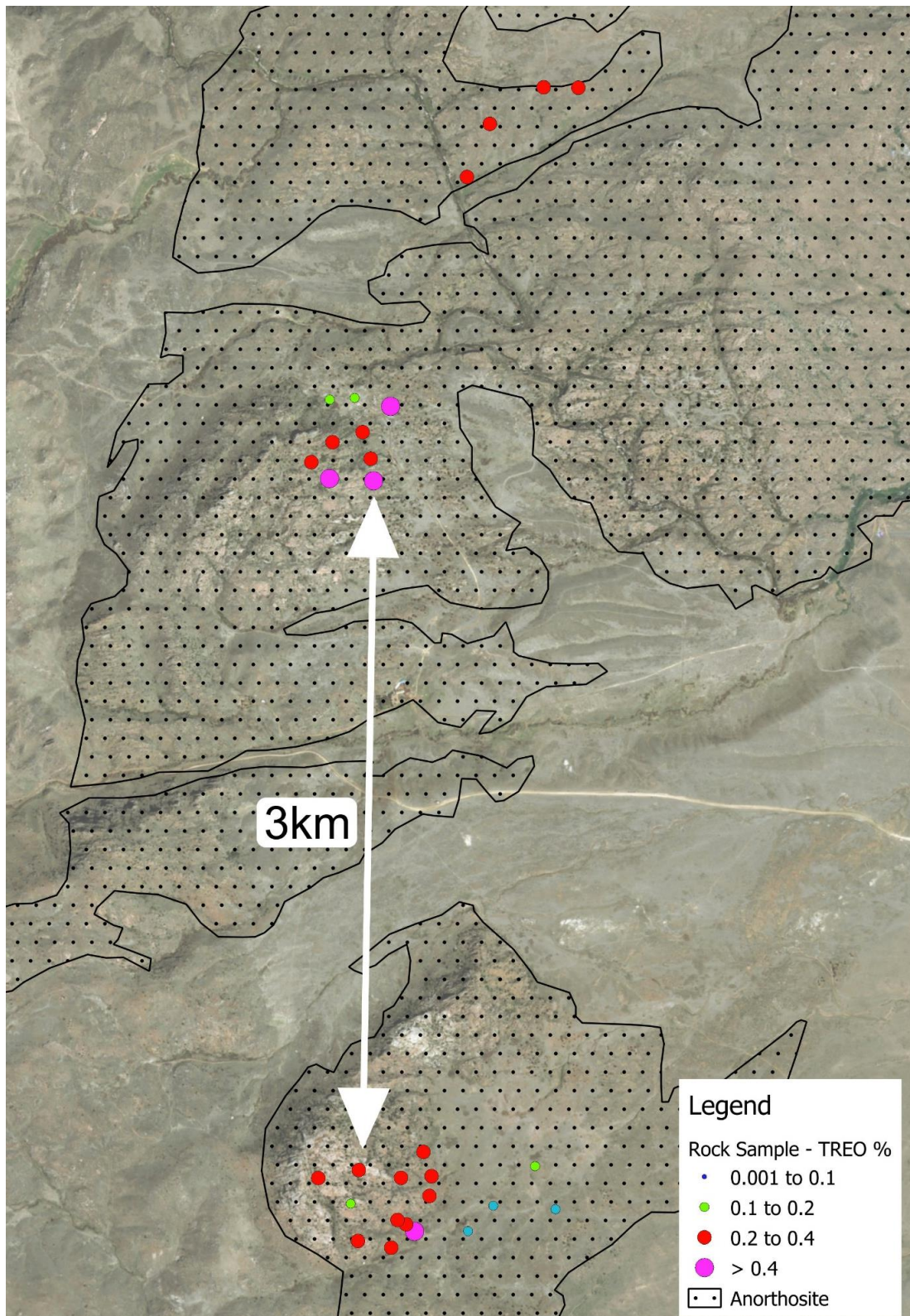


Figure 5: Laramie REE Project – Geochemical Results – Summary Map

Planned Programs

Assays were received for 29 of 38 first pass rock chip samples, results for the remaining 9 samples are anticipated shortly, whilst more detailed and systematic traverse chip sampling and mapping is in progress to assess size potential, leading to drill testing (Figure 5).

AMERICAN LITHIUM JOINT VENTURE

The American Lithium Joint Venture includes a US\$5 million farm-in deal with a private company controlled by prominent UK investor Jim Mellon (Bradda Head Ltd) (ASX Release 7th March 2017) to jointly unlock the potential of Zenith's USA and Mexican lithium project portfolio.

Bradda Head must spend US\$5 million on the joint venture projects before Feb 2021 or the projects will be returned to Zenith.



BURRO CREEK LITHIUM CLAY PROJECT – ARIZONA, USA (Option to Earn 100%)

- Widespread, near surface lithium results were intersected in the maiden drill program at the Burro Creek project including: 22.9 metres @ 1088ppm lithium and 2.94% potassium from 4.68m depth, and 24.4 metres @ 1361ppm lithium and 3.23% potassium from 19.8m depth (ZNC – ASX Release 19th June 2018).
- Depending on the cut-off grade used the lithium mineralised portion of the clay averages 23 to 54 metres in thickness, whilst recent testwork indicates a bulk density of 1.6 to 1.8 g/cm³.
- Drilling to date has tested only a small portion of the total project area that has recently been expanded by staking claims to the west;
- Mapping and sampling in the western claim area returned further widespread, high-grade lithium clays at surface with two new areas identified each equal in size to the zone of lithium mineralisation discovered in the current drill program;
- Maiden Inferred Mineral Resource estimate of 42.6 million tonnes @ 818 ppm Li (lithium) and 3.3% K (potassium) using a lower cut-off grade of 300 ppm Li for the near surface lithium clay mineralisation at the Burro Creek East area (as announced to ASX on 12th Aug 2019).
- Exploration Target* of between 20 to 60 Mt of material grading between 600 and 1,000 ppm Li for the Burro Creek East area only (as announced to ASX on 12th Aug 2019).
- Metallurgical testwork has returned positive results.

**The potential quantities and grades are conceptual in nature and there has been insufficient exploration to date to define a Mineral Resource. It is not certain that further exploration will result in the determination of a Mineral Resource under the "Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, the JORC Code" (JORC 2012). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.*

Activities During the Quarter

The Burro Creek East property was increased in acreage by 250%, a significant increase to the Company's land position in Arizona.

A Maiden Inferred Mineral Resource estimate of 42.6 million tonnes @ 818 ppm Li (lithium) and 3.3% K (potassium) using a lower cut-off grade of 300 ppm Li for the near surface lithium clay mineralisation at the Burro Creek East area was announced to ASX on 12th Aug 2019. In addition, an updated Exploration Target* of between 20 to 60 Mt of material grading between 600 and 1,000 ppm Li for the Burro Creek East area only was also announced to ASX on 12th Aug 2019.

Planned Activities

Resource extension drilling

ZACATECAS LITHIUM BRINE PROJECT – MEXICO

Following a review by the joint venture it was deemed that the Zacatecas lithium target in Mexico no longer met investment criteria & Zenith agreed for the project to be surrendered (ZNC ASX Release 28th October 2019).

WILSON SALT FLAT LITHIUM BRINE PROJECT – NEVADA USA

- Sampling by Zenith returned up to 192ppm lithium from salt lake surface;
- The high-grade lithium surface sample results are coincident with gravity low anomalies reflecting basin sedimentary sequences that potentially host lithium brines.
- Both aeromagnetic and gravity modelling indicate complex basement geology indicative of major faults capable of channelling and focusing lithium enriched geothermal fluids; and
- Ground based magnetotelluric (MT) geophysical surveys indicates conductive layer in upper 200 – 300m below surface, representing a lithium brine drill target.
- Fully permitting for drill testing.

Activities During the Quarter

Nil this quarter.

Planned Activities

An initial 2-hole drilling program has been permitted to test structural and stratigraphic targets identified by geophysical surveys. Given success with these preliminary exploratory drill holes in finding brine aquifers and lithium, additional holes would be placed to expand on the information relating to basin hydrogeology, leading to resource estimation. Drilling planned to commence following Bradda Head planned re-listing on AIM.

SAN DOMINGO LITHIUM PEGMATITE PROJECT – ARIZONA USA

- Abundant lithium bearing pegmatite dykes within Zenith's claims over an area 9km by 1.5km;
- Initial continuous rock chip sampling returned very encouraging results up to 5m @ 1.97% Li₂O including 2.4m @ 2.49% Li₂O within 14.1m zone @ 1.02%Li₂O from spodumene rich pegmatites;
- In the SW of the project area select grab samples returned high-grade lithium from pegmatite dykes of 5.8% and 8.0% Li₂O. Systematic composite rock chip sampling of more strongly weathered spodumene rich pegmatite returned: 2.9m @ 0.86% Li₂O, 2.8m @ 0.69% Li₂O, 3m @ 0.71% Li₂O, and 3m @ 0.56% Li₂O, the latter two samples are part of a near true width zone of 12.7m @ 0.45% Li₂O; and
- Lithium as spodumene and amblygonite concentrates along with tantalum was produced from pegmatites within the district during the period 1947 – 1952.

Activities During the Quarter

Nil this quarter.

Planned Programs

Initial drill testing of the western San Domingo claim lithium pegmatite targets followed by drilling of the central and eastern pegmatite targets is planned.

SPENCER LITHIUM BRINE PROJECT – NEVADA USA

- Initial reconnaissance sampling by Zenith returned up to 550ppm lithium in surface sediments - comparable to and higher than those from competitor lithium brine projects in the USA;
- The high-grade lithium surface sample results are coincident with gravity low anomalies reflecting basin sedimentary sequences that potentially host lithium brines.
- Local geothermal springs indicate active circulating hot waters capable of leaching lithium whilst both aeromagnetic and gravity modelling indicate complex basement geology indicative of major faults capable of channelling and focusing lithium enriched geothermal fluids; and
- Infill surface sampling and ground based geophysical surveys are planned prior to drill testing.

Activities During the Quarter

Nil this quarter

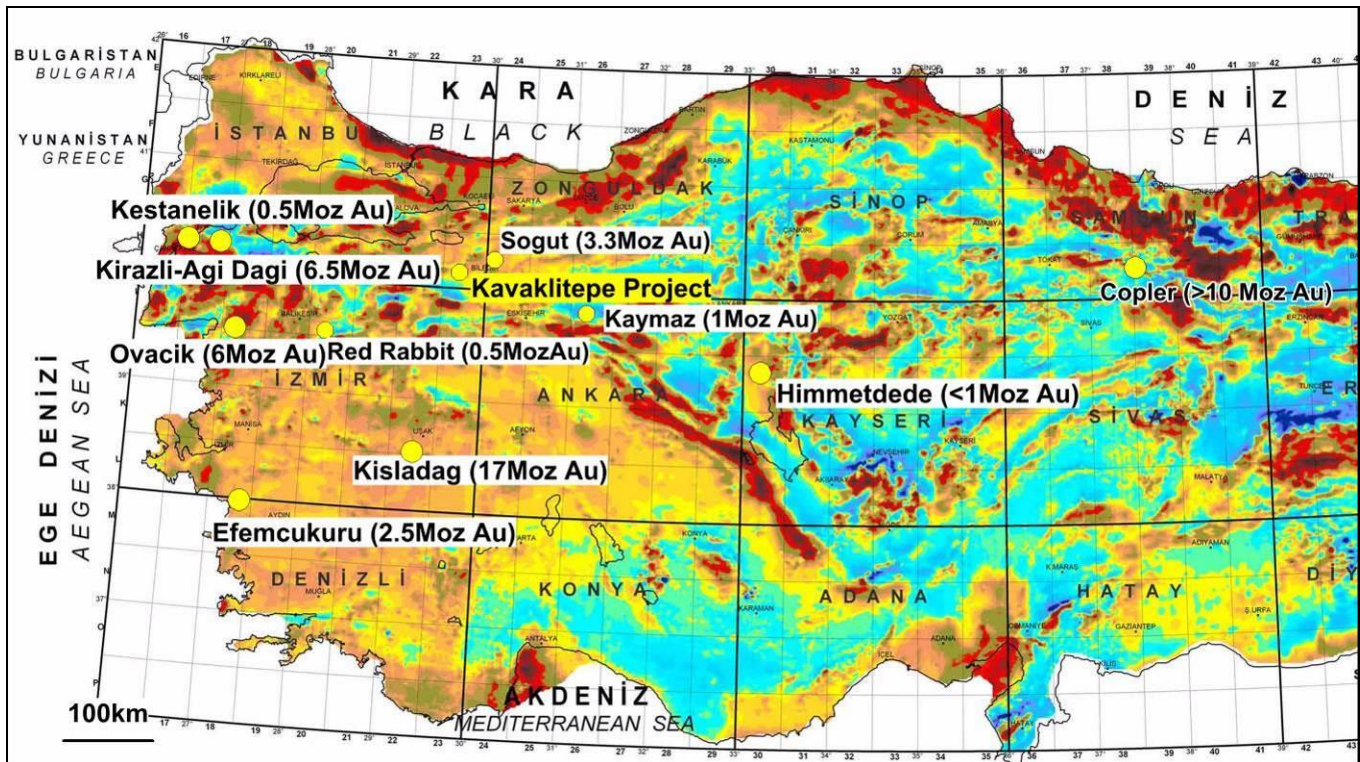
Planned Activities

Infill surface sampling and electrical geophysical surveys followed by drilling are the next steps in exploration of the Spencer project.

LITHIUM OIL BRINE PROJECT – PENNSYLVANIA USA

Initial and as yet incomplete leasing of private oil field brine rights in Pennsylvania has been undertaken in an area where previous sampling of two historic oil wells located approximately 6 km apart returned significant lithium. The oil wells have been capped and shut-in and will require re-opening using a suitable oil field drill rig to allow confirmation sampling.

KAVAKLITEPE GOLD JOINT VENTURE



Kavaklitepe Project Location and Regional Gold Endowment (Image is Total Magnetic Intensity)

KAVAKLITEPE GOLD PROJECT – TURKEY (Zenith 30%-diluting)

- Two coherent plus 800-metre-long, high order gold in soil anomalies (+50 ppb), with peak soil sample values over 1 g/t gold;
- Kuzey Zone Drill results include: 20m @ 15.6 g/t Au, 16m @ 4.7 g/t Au, 21m @ 3.29 g/t Au, 14m @ 6.09 g/t Au, 16m @ 4.7 g/t, 9m @ 5.2g/t and 7.8m @ 7.3g/t gold, and continuous surface rock chip results include: 54.0m @ 3.33 g/t gold, 10m @ 12.2 g/t Au; 44m @ 3.37 g/t Au, 15m @ 10.10 g/t Au and 6.5m @ 5.18 g/t Au;
- Discovery Zone drill results include: KT- 42: 8.0m @ 0.74 g/t Au, KT-43: 8.0m @ 1.20 g/t Au and KT-44: 8.0m @ 1.26 g/t Au.

Activities During the Quarter

Exploration and evaluation of the Kavaklitepe gold project is managed by Teck Anadolu Madencilik Sanayi v. Ticaret A.S. ("Teck"), a Turkish affiliate of Teck Resources Limited through the Turkish joint venture company Kavak Madencilik A.S. partly owned by Zenith Minerals Limited. As previously advised (ASX Release 23rd April 2019) Zenith elected not to contribute its share of joint venture funds towards this drill program. The exact level of dilution will depend on final invoiced program costs, but it is estimated that Zenith's share of the joint venture holding company is now approximately 25%.

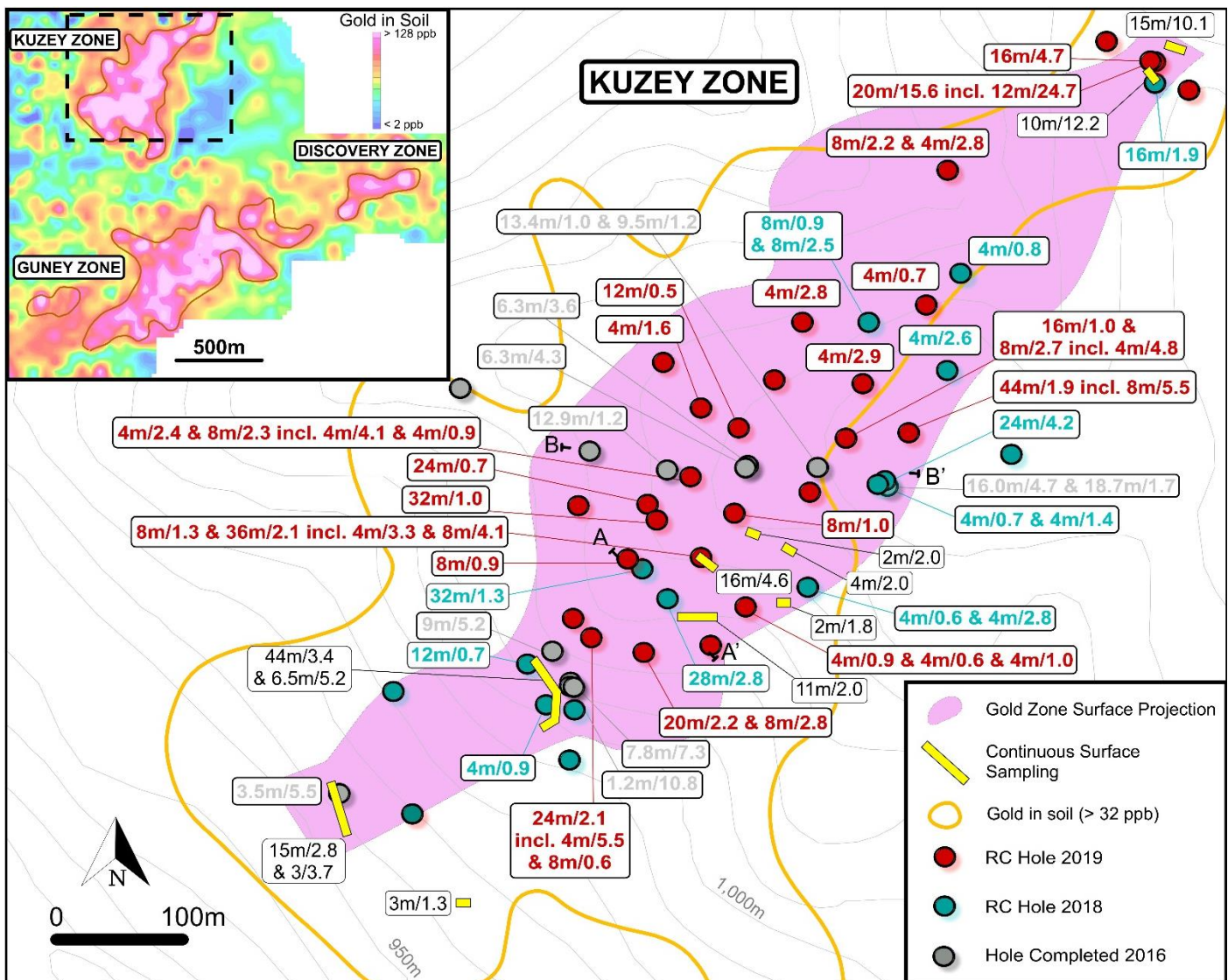


Figure 6: Kavaklitepe Kuzey Zone Drill Hole Locations, Gold Intersections & Location of Cross Sections (A-A' & B-B') – (Legend: 20m/15.6 is 20.0m @ 15.6 g/t Au)

Background

RC drilling in early 2019 was completed to determine the continuity, size and tenor of gold mineralisation intersected during the 2016 maiden short-hole diamond drilling program (KT-01 to KT-25) and the 2018 RC drill program (KTRC-26 to KTRC-40) at the Kavaklitepe gold project in western Turkey. Zenith considers the 2016 & 2018 programs to have been successful with sulphide-related gold mineralisation being discovered at both the Discovery Zone and Kuzey Zone, and with near surface high-grade oxide and transition gold mineralisation also intersected at Kuzey.

Kuzey Zone

Drilling completed in 2016 (11 holes (KT-01 to KT-11, including KT-06A) provided an initial wide spaced test of only 360m of the 900m by 250m wide Kuzey Zone gold-in-soil anomaly target (Figures 6 - 9). Near surface oxide and transition gold mineralisation is interpreted to occur as a flat lying zone extending over the full 900m length of the prospect.

Better intersections from the 2016 drill program that are considered close to true width of high-grade, near surface, gold mineralisation (previously reported) include: KT-01; 3.5m @ 5.5 g/t Au from surface, KT-02; 9.0m @ 5.2 g/t Au from surface, KT-03; 7.8m @ 7.3 g/t Au from 3.3m depth, KT-05; 1.2m @ 10.8 g/t Au from 14.7m (as part of a 16.9m mineralised zone with lower core recovery), KT-06; 6.3m @ 4.3 g/t Au from surface, KT-06A ; 6.3m @ 3.6 g/t Au from surface and KT-07 ; 12.9m @ 1.2 g/t Au from surface.

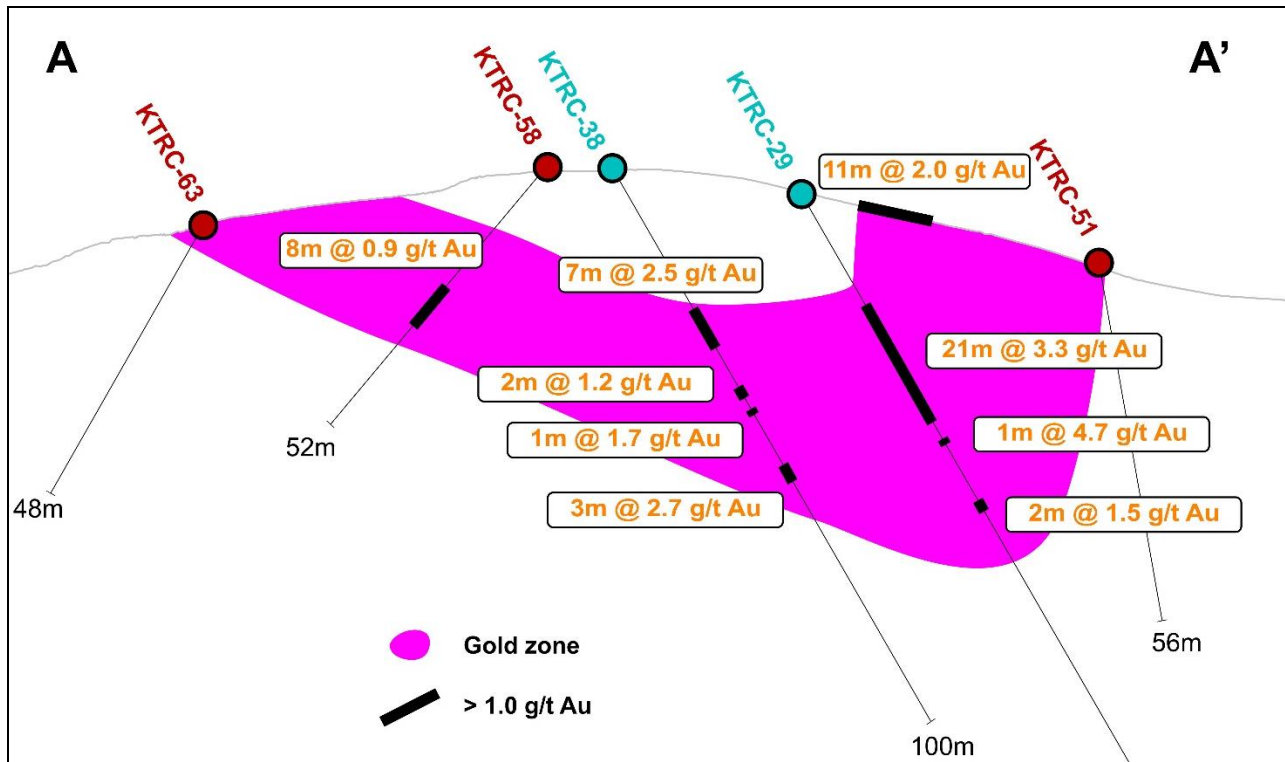


Figure 7: Kavaklitepe Kuzey Zone Preliminary Cross Section A-A'– (Refer to Figure 1 for Location of Cross Section)

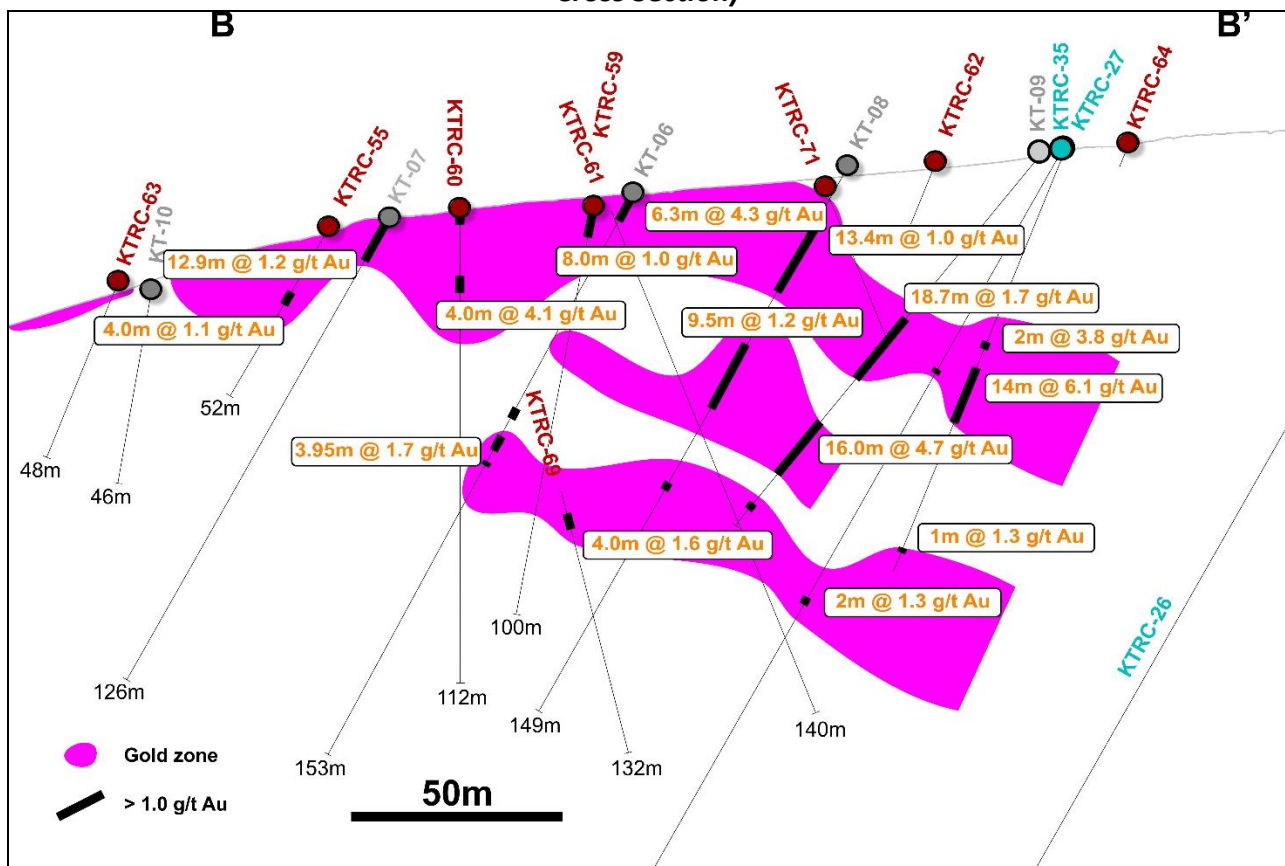


Figure 8: Kavaklitepe Kuzey Zone Preliminary Cross Section B-B'– (Refer to Figure 1 for Location of Cross Section)

Deeper drill results previously reported (5th October 2016) from the Kuzey Zone include: hole KT-09; an overall 67.7m gold mineralised zone from 46.2 to end of hole at 113.9m (true width unknown) including several zones of higher grade: 18.7m @ 1.7 g/t Au from 50.2m, 16.0m @ 4.7 g/t Au from 82.1m, (including 8.0 m @ 7.1 g/t Au) and 8.8m @ 1.0 g/t Au with the drill hole ending in mineralisation at 113.9m and hole KT-08; an overall 76.0m gold mineralised zone from 12.5m to 88.5m including: 13.4m @ 1.0 g/t Au from 16.1m, 1.5m @ 1.3 g/t Au from 33.0m, 2.0m @ 3.0 g/t Au from 48.8m, and 9.5m @ 1.2 g/t Au from 56.8m.

RC drill testing in late 2018 (KTRC-26 to KTRC-40) returned thick high-grade gold intersections at the Kuzey zone including: 21m @ 3.29 g/t Au within 26m @ 2.89 g/t, 14m @ 6.09 g/t Au and 8m @ 2.29 g/t Au (ZNC ASX Release 11th December 2018 and 23rd April 2019).

In addition, continuous rock chip sampling at the Kuzey Prospect has previously returned wide zones of high-grade gold mineralisation at surface, including: 54.0m @ 3.33 g/t Au (including 21.5m @ 7.2 g/t Au) and 44.0m @ 3.37 g/t Au (ZNC ASX Release 23rd April 2019).

A 3700m, 2019 RC drill program operated and funded by JV partner Teck Anadolu Madencilik Sanayi v. Ticaret A.S. ("Teck") a Turkish subsidiary of Teck Resources Limited, commenced in late-April 2019 and was designed to follow-up on results from the 2016 & 2018 drilling and surface sampling programs.

Initial 4 metre composite assay results from follow-up drill testing were received in mid-2019 (refer to Zenith ASX release dated 20th June 2019).

Based on preliminary 4 metre composite results the drill program successfully defined gold mineralisation over the length of the 900 metre long Kuzey Prospect (north prospect) with indications of more than one high-grade shoot. Kuzey infill results from drill holes KT-51 to KT-78) include: KT-77: **20.0m @ 15.60 g/t Au, including 12.0m @ 24.67 g/t Au**, KT-78: **16.0m @ 4.72 g/t Au, including 8.0m @ 7.99 g/t Au**, KT-64: **44.0m @ 1.90 g/t Au, including 8.0m @ 5.50 g/t Au**, KT-56: **24.0m @ 2.14 g/t Au; including 4.0m @ 5.45 g/t Au**, and KT-53: **36.0m @ 2.06g/t Au, including 8.0m @ 4.14 g/t Au**, (Figures 6, 7, 8 & 9). These drill intersections are interpreted to be close to true thickness of the gold mineralisation. Continuous rock chip sampling along drill access tracks at Kuzey returned 16.0m @ 4.6 g/t Au and 4.0m @ 3.73 g/t Au (Figure 9). Kuzey is one of three gold mineralised zones within the Kavaklitepe Project, the others being Discovery and Guney.

Discovery and Guney Zones

In 2016 drilling at the Discovery Zone (2 holes (KT-18A and KT-23) intersected gold mineralisation over a 23.5m interval from 22.5m to 46.0m depth with results including: 9.4m @ 1.5 g/t Au and 3.5m @ 2.1 g/t Au (true width intervals). The near surface gold mineralisation dips to the northwest and is 60m down dip of previously reported continuous roadside surface sample results that include: 21.0m @ 2.7 g/t Au and 27.0m @ 1.4 g/t Au (Figure 9). The roadside sampling was conducted as an initial test of the 400m long gold-in-soil anomaly at the Discovery Zone.

Drilling at the Guney Zone (2016 - 11 holes (KT-12 to KT-17 & KT-19 to KT-22 & KT-24 to KT-25) has been technically difficult, intersecting a thick, flat-lying, massive sequence of calc-silicate rocks which contained multiple underground cavities up to 4 metres deep that caused several holes to fail at shallow depths and provided locally only very poor diamond drill core sample recoveries. Hole KT-12 returned 1.2m @ 1.4 g/t Au from 12.5m and 1.3m @ 0.6 g/t Au from 17.2m before being abandoned in a cavity and drill hole KT-21 drilled on the northern part of the prospect intersected a wide zone (30.7 m) of silicified and altered breccia crosscutting a meta-siltstone rock sequence from 54.9m to 85.6m with associated higher concentrations of trace elements arsenic, antimony and silver more similar to those returning significant gold intersections at the Kuzey and Discovery zones.

Follow-up RC Drilling at the Guney Prospect in mid-2019 (drill holes KT-47 to KT-50) returned a maximum of 8.0m @ 0.28g/t Au from surface in drill hole KT-49.

RC drilling undertaken in 2019 at the Discovery and Guney Zones (Figure 9) was completed to follow-up on the previous drill results as well as test bedrock targets where rock traverse sampling along drill access tracks in 2018 returned gold results, including: 8m @ 1.77 g/t Au, 8m @ 1.74 g/t Au, including 4m @ 3.17 g/t Au (ZNC ASX release 23rd April 2019), supported by new sampling completed in 2019 detailed in this release, including: 8.0m @ 1.28 g/t Au, 4.0m @ 3.17 g/t Au and 4.0m @ 1.81 g/t Au.

Drilling at the Discovery Prospect in mid-2019 (drill holes KT-41 to KT-46) shows consistent, shallow west dipping gold mineralisation over a strike length of 600 metres. Discovery zone drill results include: **KT- 42: 8.0m @ 0.74 g/t Au, KT-43: 8.0m @ 1.20 g/t Au and KT-44: 8.0m @ 1.26 g/t Au** (Figure 9). These drill intersections are also interpreted to be close to true thickness of the gold mineralisation. In addition, further continuous rock chip sampling along drill access tracks at Discovery returned **8.0m @ 1.28 g/t Au, 4.0m @ 3.17 g/t Au and 4.0m @ 1.81 g/t Au** (Figure 9).

Gold mineralisation at Kavaklitepe is hosted in fault zone breccias and shear zones that are both subparallel to and cross-cut foliation in the host shales and schists in association with arsenic and antimony.

Preliminary scoping level metallurgical test program results received for one composite fresh rock sample, grading 3.40 g/t Au taken from the Kuzey Zone indicates gold is refractory. Diagnostic leach testing indicates approximately 19.2% of the gold is free milling, combined with oxidising via roasting yielded overall gold extraction of 70.1%. Additional leach testing of fine ground samples would be necessary to determine the liberation characteristics and the amount of extractable gold in the fine fraction of the sample.

Individual 1 metre samples of the 4-metre composite gold mineralised intervals from the mid-2019 RC drill program have not yet been provided to Zenith.

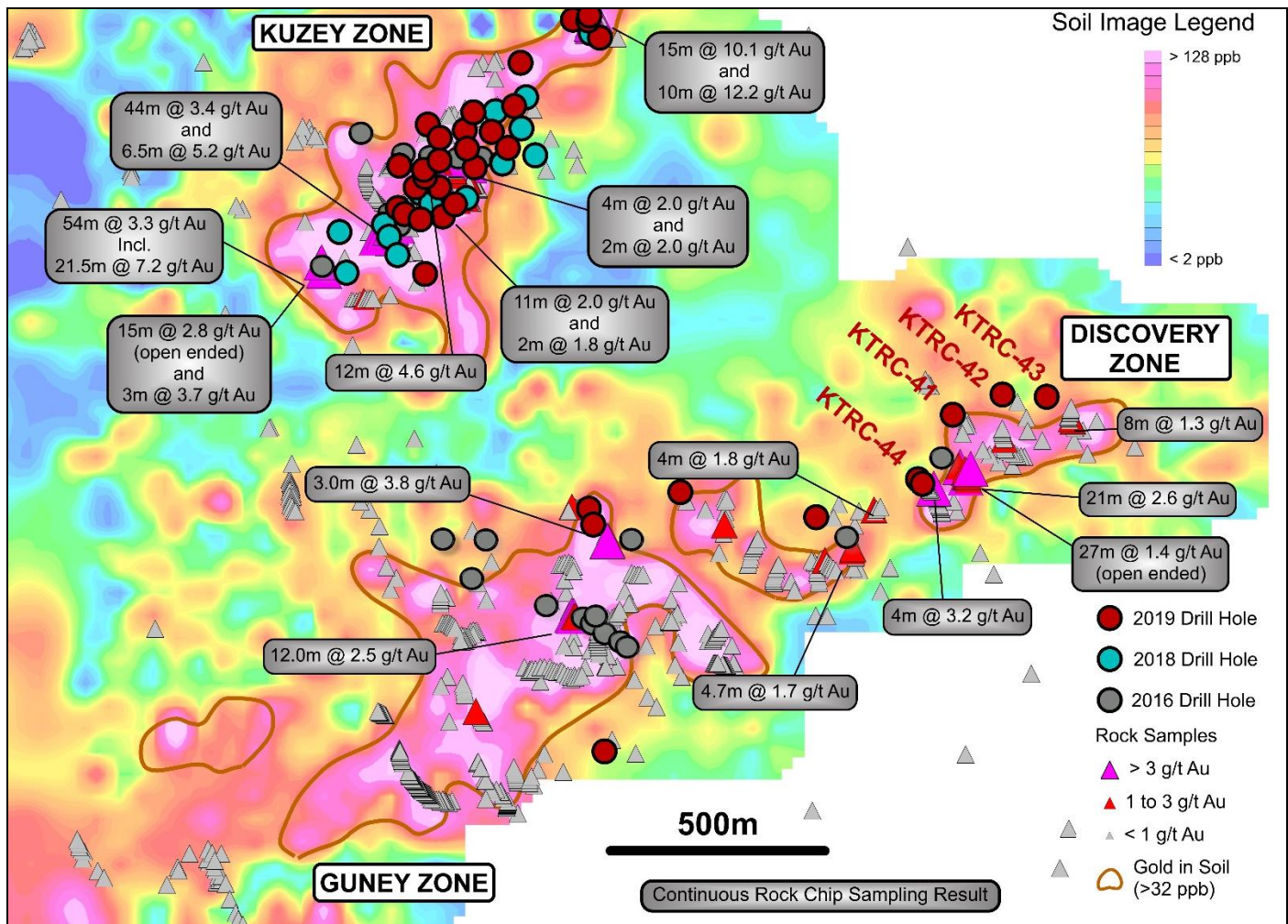


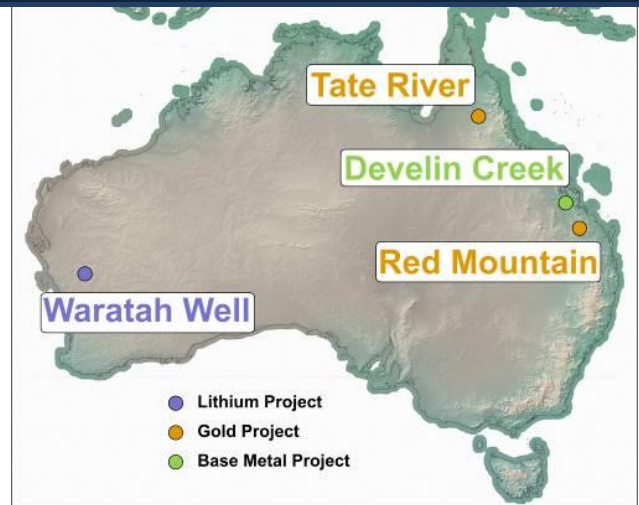
Figure 9: Plan Showing Kavaklitepe Project Gold Geochemistry & Location of Drill Holes in Discovery Zone with Significant Drill Results

Planned Activities

Review of results and assessment of future work programs.

OTHER AUSTRALIAN EXPLORATION PROJECTS

The Company is continuing to explore projects that possess strong technical merit. The Company's focus is advancing its project portfolio of high-quality lithium, gold and base metals projects.



DEVELIN CREEK COPPER-ZINC-GOLD-SILVER PROJECT – QUEENSLAND (Zenith 100%)

- Inferred Mineral Resource (JORC 2012) of: 2.57Mt @ 1.76% copper, 2.01% zinc, 0.24g/t gold and 9.6g/t silver (2.62% CuEq) released to ASX on the 15th February 2015.
- Upside to resource grades with Zenith RC hole twinning previous 1993 percussion hole returning significantly higher copper, zinc, gold and silver grades (300% to 700% higher);
- Initial metallurgical testwork results show positive first stage “rougher” recoveries of 90%;
- Highly prospective host rock extends for up to 50km north - south in Develin Creek tenure;
- Gossans discovered at new zinc soil anomalies defined in Jan 2019;
- Further systematic regional soil sampling is planned.

Activities During the Quarter

Further systematic regional soil sampling was completed during the quarter, samples are en-route to Perth where, following completion of quarantine processing, the Company will undertake pXRF geochemical analysis.

Planned Activities

Completion of analysis of geochemical samples collected during the quarter from the prospective Rookwood volcanic rock sequences (Figure 10).

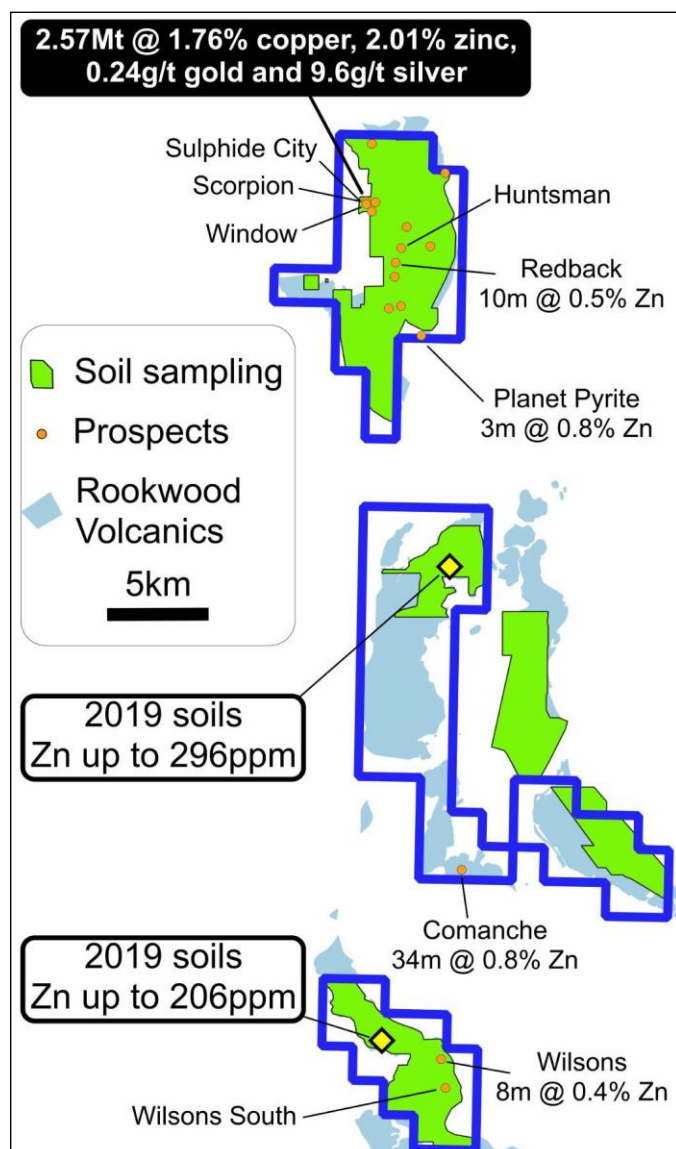


Figure 10: Develin Creek Prospects and New Geochemical Anomalies

RED MOUNTAIN GOLD-SILVER PROJECT – QLD (Zenith 100%)

- Work by Zenith has returned highly encouraging silver and gold rock chip sample results up to 114 g/t silver and 2.01 g/t gold;
- Large (2km by 1.5km) zoned soil anomaly, peak gold soil result of 1.6 g/t Au & peak silver value 2.1 g/t Ag;
- Red Mountain host rocks, alteration and geochemical association similar to that at nearby operating Mt Rawdon gold mine, providing a potential geological model to assist targeting;
- Mineralisation hosted in felsic volcanic sequence that has not been previously recognized in this area.

Activities During the Quarter

Post the quarter the Company announced that it has received results from a recent geophysical survey conducted at the Company's 100% owned Red Mountain gold-silver project located in central Queensland (ZNC ASX Release 25th October 2019). The Red Mountain project is located within ~100km of operating gold mines at Cracow and Mount Rawdon (Figure 11).

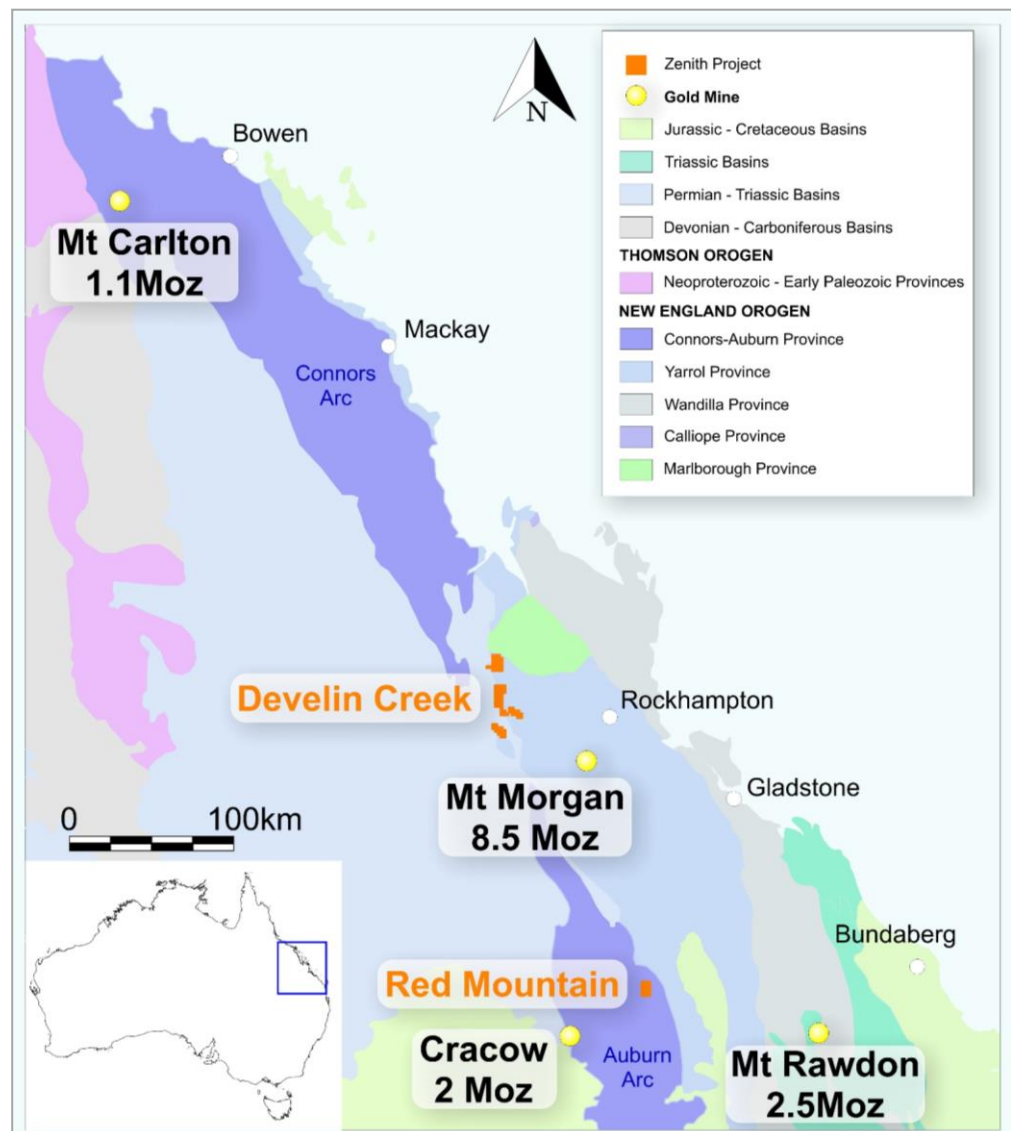
A zone of gold and silver mineralisation was discovered by Zenith in mid-2017 (ZNC ASX Release 25th July 2017). The maiden exploration program in 2017 at Red Mountain returned rock chip sample results up to 0.69 g/t gold and 114g/t silver. Further field work by Zenith to follow-up these results returned highly encouraging gold and silver rock chip sample results up to 2.01 g/t gold and 52.5 g/t silver about 800 metres north of the best results from 2017 sampling. In addition, systematic geochemical sampling outlined a large 2km by 1.5km zoned soil anomaly with peak soil gold result of 2.2 g/t Au, refer to ZNC ASX release 24th Sep 2019.

Results received from a recent geophysical survey completed by consulting group Planetary Geophysics at Red Mountain defined multiple medium strength chargeability (10mv/v) anomalies, likely to be caused by the presence of sub-surface disseminated sulphides or clay alteration zones, coincident with the margins of the recently mapped felsic volcanic breccia complex (Figure 12).

Planned Activities

Samples from an infill geochemical program completed to define the limits of the high-grade western gold zone have been dispatched to the laboratory and results are expected to be received in November.

Figure 11: Red Mountain Project – Location Map



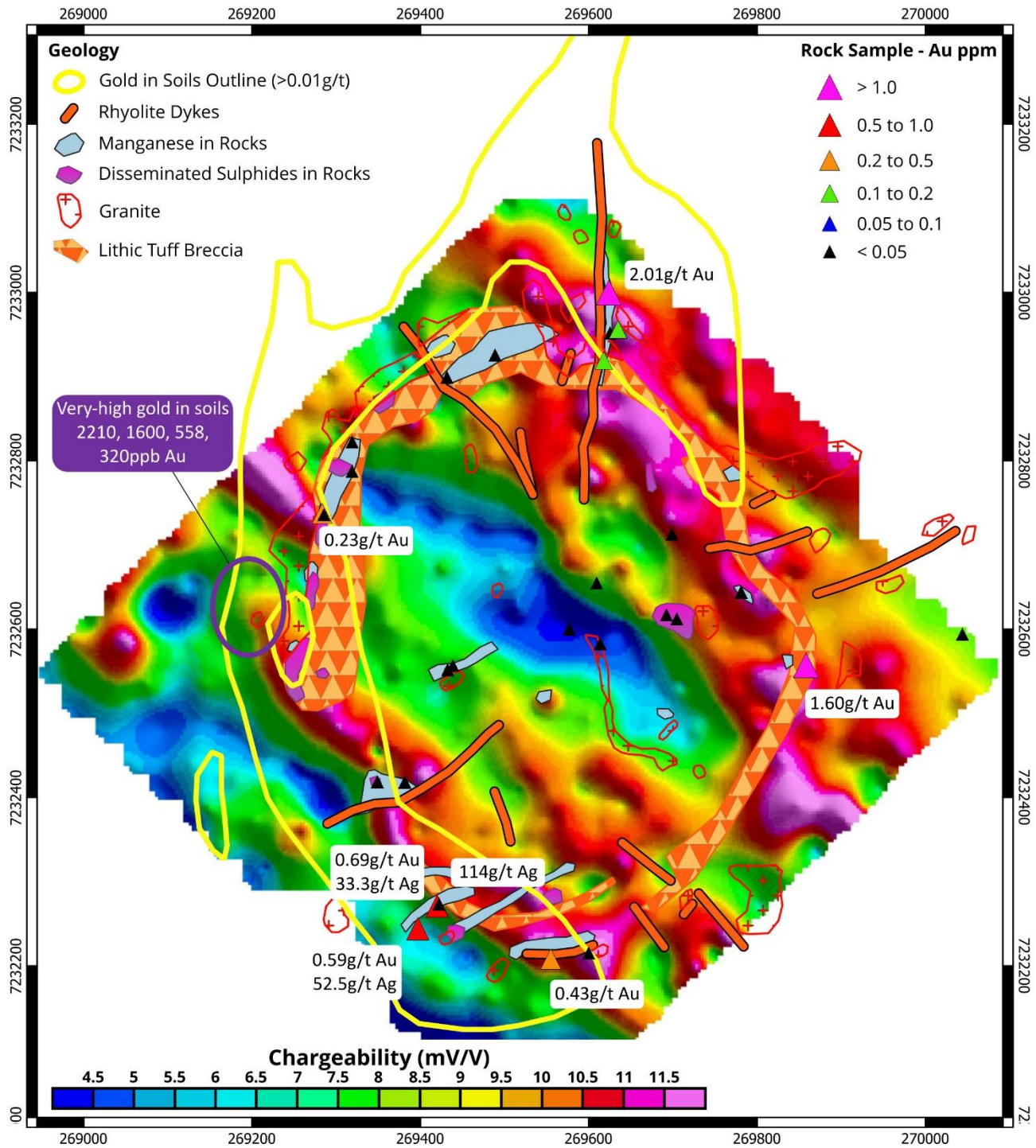


Figure 12: Red Mountain Soil and Rock Results with Geological Outlines over IP Chargeability Image

WARATAH WELL LITHIUM-TANTALUM PROJECT – WA (Zenith 100%)

- Waratah Well Project covers area of extensive outcropping LCT pegmatites (3km x 2km) in area where no reported previous exploration for lithium;
- Widespread, high-grade tantalum up to 1166ppm Ta₂O₅ and lithium up to 1.75% Li₂O (ZNC ASX release - 27/04/18);
- Initial tantalum department study confirms the potential for a marketable tantalum product;
- Conceptual lithium target beneath tantalum bearing pegmatites.

Activities During the Quarter

Nil this quarter.

Planned Activities

The Company is progressing towards completion of a transaction with a 3rd party partner to progress the evaluation and potential development of this lithium-tantalum opportunity.

TATE RIVER GOLD PROJECT – QLD

Following an internal review of the Tate River gold project exploration results conducted by Zenith's geological team, the Company has determined that the project no longer meets its investment criteria and it has provided notice to Jumani Pty Ltd, the owner of the Tate River gold project, that it does not wish to proceed with the Farm-In arrangement.

OTHER JOINT VENTURES & OPTIONS ON ZENITH PROPERTIES

The Company has continued to implement its strategy of being an exploration project generator. Projects are either advanced by the Company's experienced team applying innovative exploration techniques or by partners which have the technical and financial capability, depending on how the Board believes shareholders' best interests are served.

In addition to the Kavaklitepe and American Lithium JV's, the Company has two Australian projects being funded under option by partners:

- Earahedy Zinc;
- Vivash Iron; and



EARAHEEDY ZINC PROJECT – WA (Zenith 25%, ASX: RTR 75%)

- Wide spaced drilling defined stratiform zinc and lead mineralisation over 20km of strike within carbonate sediments of the Earahedy Basin in Western Australia.
- Historical drilling intercepted high-grade zinc up to 18.6% within an intersection 3.3m @ 11.2% Zn, and 0.93% Pb from 150m. Other drill-holes include 2m @ 8.23% Zn and 2.77% Pb from 103m.
- Newly recognized sandstone hosted Zn-Pb mineralisation target is focus for immediately follow-up
- Follow-up geophysical survey and drill testing in Dec 2019

Activities During the Quarter

As announced to the ASX on the 21st October 2019, Rumble Resources Limited (ASX:RTR) has elected to exercise the Earahedy Zinc project option. Zenith has now received an additional \$350,000 in RTR shares and RTR will free carry Zenith's 25% interest to the completion of a bankable feasibility study (BFS). Following the completion of

a BFS and any decision to mine, Zenith can either elect to contribute to ongoing project development or dilute to a 1.5% net smelter royalty.

New Target – Sandstone Zn-Pb Hosted Deposits:

Recent diamond/RC drilling on E69/3464 by Rumble (and summarised in the RTR announcement to the ASX on the 21st October 2019), identified a previously unrecognised sandstone Zn-Pb unit which hosts the higher-grade Zn-Pb mineralisation throughout the entire project.

Rumbles new target has potential for large tonnage, flat-lying, near surface (open pittable) sandstone hosted Zn-Pb deposits.

Two shallow sandstone sub basins containing Zn-Pb mineralisation have been identified.

- The main sandstone sub basin has an area extent of at least 8km by 2.5km and is open to the southeast. Only fifteen (15) drill holes have been completed within the Main Sandstone Sub Basin – all are mineralised with over half ending in mineralisation. Drilling intercepts include:
 - 7m @ 4.85% Zn + Pb from 103m EOH in sandstone
 - 6m @ 3.91% Zn, 0.39% Pb from 210.5m in sandstone
- The northwest sandstone sub basin has an area extent of 5km by 2km and is completely open. Only seven (7) drill holes have been completed within the Northwest Sandstone Sub Basin – all are mineralised with drilling intercepts including:
 - 11m @ 3.6% Zn + Pb from 222.5m in sandstone
 - 6m @ 2.52% Zn, 1.02% Pb from 126m EOH in sandstone
 - 7m @ 1.18% Zn, 2.37% Pb from 60m in sandstone

The two sub basins have over 13km of prospective strike that come to surface under shallow cover on the southwestern margin of project representing an exciting drill target area. The drill target areas have had no previous drilling

Planned Activities

Further geophysical surveying and drilling at Rumble's sole cost is planned to be completed this calendar year:

- A passive seismic orientation survey is planned in November 2019 to cover the main and northwest sandstone sub basins to potentially provide a tool that maps the Zn-Pb mineralized sandstone sub-basin as it comes to surface to aid in drill targeting; and
- A wide spaced shallow vertical RC drilling is planned in December 2019 targeting where the two Zn-Pb mineralised sandstone sub-basins come to the surface under cover – over 13kms of strike.

VIVASH GORGE IRON PROJECT – WA (ZENITH 100%, OPTION TO RTX)

- The Vivash Gorge project covers areas of prospective Brockman and Marra Mamba iron formations along strike of Rio Tinto Iron Ore's Brockman 4 operating iron ore mine in the Pilbara region of Western Australia.
- RTX recently commenced drill programme.

Activities During the Quarter

All land and site access arrangements were finalised to facilitate the initial planned RC drill programme to test a concealed Brockman iron ore target. This included clearance for 17 potential drill pads and related access tracks.

Subsequent to the end of the quarter the site earthworks were completed, and the drill programme was recently commenced. The programme is indicatively expected to consist of 12 priority holes of up to 100m depth, testing two separate target areas. Further holes may be drilled subject to ongoing results (refer to ZNC:ASX Release dated 25th October 2019).

Planned Activities

The drill programme is expected to be completed in early November, with assays likely available late 2019 or early 2020.

Background on Vivash Gorge Iron Project

The Vivash Gorge Iron Project (exploration licence E47/3071) is situated approximately 80km west of Tom Price in the Pilbara region of Western Australia. The project covers approximately 8km of strike of prospective Brockman and Marra Mamba iron formations along trend of Rio Tinto Iron Ore's Brockman 4 operating iron ore mine.

Option Terms

- RTX paid Zenith an initial option fee of \$50k for a 1-year option period (post land access, including heritage clearances) to exclusively explore the Vivash Gorge iron project;
- RTX able to extend the option period by a further 2 years by paying Zenith \$50k/annum;
- RTX able to exercise option to acquire 100% of the Vivash Gorge iron project before the end of the option period by paying Zenith a once off cash payment of \$500k;
- RTX to pay a success fee to Zenith of a further \$1.0m when RTX expends more than \$7.5m on the Vivash Gorge iron project, excluding tenement rents, rates & native title related costs;
- Should RTX on-sell the Vivash Gorge project to a third party within 5 years of acquiring it, an on-sale payment of 10% of the consideration would be payable to Zenith; and other terms and conditions that are of an industry standard nature.

TALGA FAULT COBALT PROJECT – WA

Greenpower Energy Ltd (ASX:GPP) provided notice to Zenith that it does not wish to proceed with the option over Zenith's Talga Fault cobalt project. Following a review by Zenith of the data compiled by Greenpower, the Company has determined that the project no longer meets its investment criteria and the exploration licences have been surrendered (refer to ZNC:ASX Release 25th October 2019).

MINERAL RESOURCES IN RETENTION

The Company has secured retention licences over the Earahedy Manganese deposits. The retention licence/status allows Zenith to hold the Mineral Resources but negates any ongoing Department of Mines statutory annual expenditure requirements for those licences for an extended period.

The Company regularly assesses the manganese market conditions to determine if a development review of these assets is warranted.



EARAHEEDY MANGANESE PROJECT – WA (Zenith 100%)

Manganese Mineral Resources at Red Lake and Lockeridge are retained under retention licences pending an improvement in market conditions. Refer to the Company's website www.zenithminerals.com.au for further details.

MT ALEXANDER IRON PROJECT – WA (Zenith 100%)

Zenith completed the sale of its 100% owned Mt Alexander magnetite iron project located in Western Australia to a private Australian company in June 2019. In addition to the initial consideration Zenith will receive ten annual payments of \$250,000 each (total \$2.5 million) once the project reaches commercial production, for a total consideration of \$2.75 million (ZNC ASX release dated 26th June 2019).

NEW OPPORTUNITIES

Zenith applied for and won in a competitive ballot two portions of an exploration licence application (E45/5505) in the Paterson Province WA. The project lies between the major basin bounding structures of the Vines Fault and the western margin of the Waukarlycarly Embayment and is situated between the recently announced Carawine (ASX:CWX) - Rio Tinto Exploration Joint Venture projects Baton & Red Dog (refer to CWZ:ASX Release dated 28 Oct 2019). The Company is currently assessing its options with respect to this exploration licence.

CORPORATE

On the 28th October 2019 the Company announced a capital raising by way of an Entitlement Offer to existing shareholders.

This capital raising will be undertaken through a non-renounceable entitlement offer of one (1) new fully paid ordinary share (**New Share**) for every six (6) existing fully paid ordinary shares (**Shares**) held by Eligible Shareholders as at 5.00pm (AEDT) on Thursday, 31 October 2019 (**Record Date**) (**Entitlement Offer**).

The Entitlement Offer will be made by the Company pursuant to an offer document in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (**Corporations Act**) (**Offer Document**) to be sent to Eligible Shareholders on or about Tuesday, 5 November 2019.

The new shares will be issued at a price of A\$0.055 per share, representing a discount of 13% to the last closing price on Wednesday, 23 October 2019 and a discount of 17% to the 30-day volume weighted average price of Zenith ordinary shares.

A total of up to 35,519,116 shares will be issued pursuant to the Entitlement Offer.

The Entitlement Offer period will open on Tuesday, 5 November 2019 and is due to close on Tuesday, 19 November 2019 (unless extended by the Company in accordance with the Corporations Act and the Listing Rules).

Indicative Timetable

The following timetable is indicative only. Subject to the Corporations Act and Listing Rules, the Company reserves the right to vary the dates and times in connection with the Entitlement Offer, including the closing date, without prior notice.

Event	Date
Announcement of Entitlement Offer and Cleansing Statement	Monday, 28 October 2019
Notice to Shareholders including information required by Appendix 3B	Tuesday, 29 October 2019
Ex-Date for Entitlement Offer	Wednesday, 30 October 2019
Record Date to determine Entitlement to New Shares (5.00pm AEDT)	Thursday, 31 October 2019
Despatch of Offer Document and Application Form and announcement that dispatch completed.	Tuesday, 5 November 2019
Entitlement Offer opens	Tuesday, 5 November 2019
Entitlement Offer closes (5.00pm (AEDT))	Tuesday, 19 November 2019
New Shares under Entitlement Offer quoted on a deferred settlement basis	Wednesday, 20 November 2019
Announcement of Entitlement Offer shortfall	Thursday, 21 November 2019
Issue of New Shares under Entitlement Offer	Monday, 25 November 2019
Despatch date of holding statements	Monday, 25 November 2019
Trading of New Shares issued under the Entitlement Offer on a normal basis	Tuesday 26, November 2019

During the Quarter the Company issued 352,567 shares (Appendix 3B released to ASX on 20 Aug 2019) as consideration amounting to \$25,000 for geochemical data.

COMPETENT PERSONS STATEMENTS

The information in this report that relates to Zenith Exploration Results and Exploration Targets is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith. 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.

The information in this Report that relates to in-situ Mineral Resources at the Develin Creek project is based on information compiled by Ms Fleur Muller an employee of Geostat Services Pty Ltd. Ms Muller takes overall responsibility for the Report. She is a Member of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition)'. Ms Muller consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimate and Exploration Target at Burro Creek East is based on information compiled by Martin Pittuck, who is a Chartered Engineer with the Institute of Materials Minerals and Mining and an employee of SRK Consulting (UK) Limited. Mr Pittuck 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 Pittuck consents to the inclusion of excerpts from the SRK report in this ASX release in the form and context in which they appear.

Zenith Minerals Limited

31st October 2019

For further information contact;

Directors Michael Clifford or Mike Joyce

Phone 08 9226 1110

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Zenith Minerals Limited

ABN

96 119 397 938

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows		Current Quarter \$A'000	Year to Date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	12	12
1.2	Payments for		
	(a) exploration & evaluation	(116)	(116)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(142)	(142)
	(e) administration and corporate costs	(185)	(185)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(431)	(431)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(3)	(3)
	(b) tenements (see item 10)	(3)	(3)
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current Quarter \$A'000	Year to Date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(6)	(6)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,063	1,063
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(431)	(431)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(6)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	16	16
4.6	Cash and cash equivalents at end of period	642	642

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	617	1,048
5.2 Call deposits	25	15
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	642	1,063

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

98

-

Reimbursement to directors of administration and exploration expenses incurred on behalf of the Company and for the payment of director services.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other – Credit Card Facility

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

15

0

- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.


Credit Card Facility with ANZ bank which is secured by a term deposit with a right of set off to the total limit of the credit card facility.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	150
9.2 Development	-
9.3 Production	-
9.4 Staff costs	147
9.5 Administration and corporate costs	70
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	367

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E08/3018	100%	0%	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

(Director /Company secretary)

Date: 31st October 2019

Print name: **Melinda Nelmes**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.