

Record zinc production & significant increase in metallurgical recovery from Century operations

Highlights

- >50% increase in quarterly zinc production, with 18,170t zinc metal produced (37,500t concentrate at 48.3% zinc & 152g/t silver)
- Significant increase in total zinc recovery, with operations averaging 50% recovery for March 2019 and up to 54% recovery achieved to date (86% of design target)
- 3rd mining cannon now online (post quarter end), targeting a step change in mining rate into Q2 2019 to a minimum 8Mtpa and up to 10Mtpa
- Plant capacity scheduled to more than double in 2019 through further flotation cell refurbishments (Phase 2 expansion) in line with mining ramp up to five cannons

New Century Resources Limited (Company or New Century) (ASX:NCZ) is pleased to provide an update on Century production and operational ramp up during the Q1 2019.

During the quarter the operations continued the successful ramp up of plant performance, with total zinc recoveries averaging 50% for March 2019 and peaking at 54% (86% of the design target).

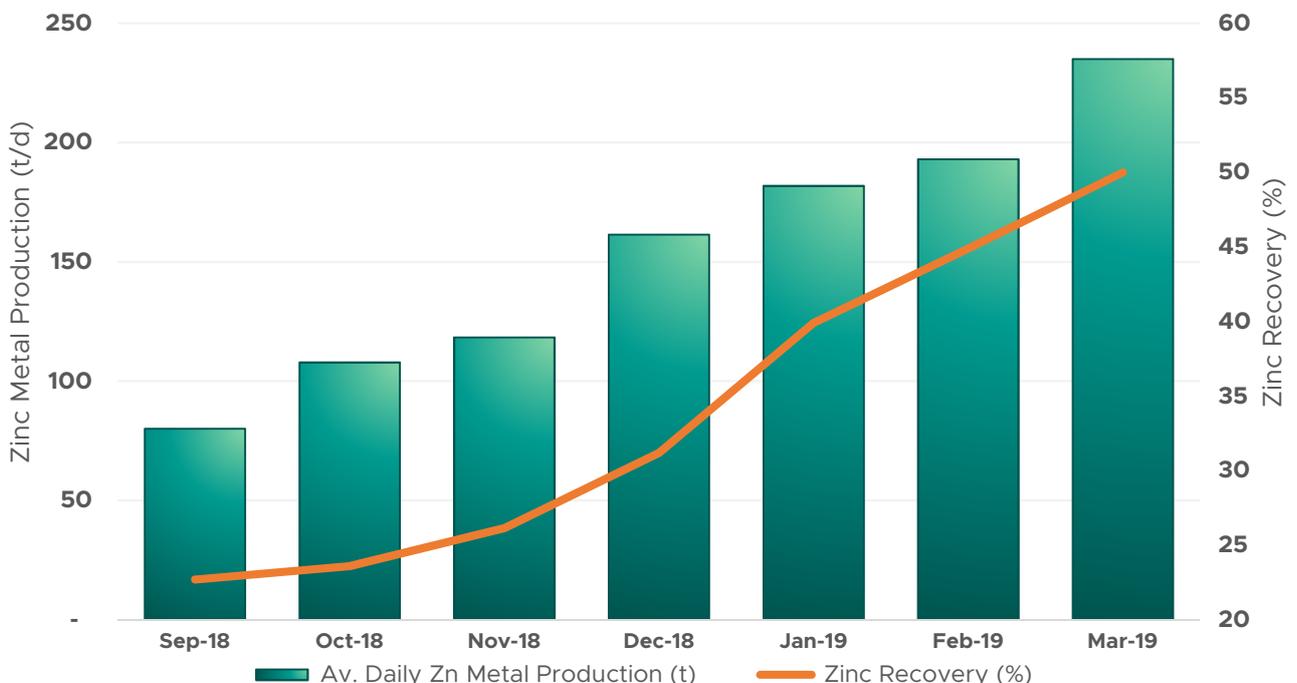


Figure 1: Century's average daily metal production ramp up and monthly improvement in total zinc recovery since the start of operations

The improved plant performance resulted in a 50.4% increase in total metal production from operations, with 18,170t of zinc metal produced in 37,500t of concentrate grading 48.3% zinc (vs 25,500t at 47.0% zinc Q4 2018). Silver content of 152g/t within the concentrate remained in line with previous quarter operations.

The quality of zinc concentrate produced also continued to improve significantly over the quarter, with a 25% decrease in the lead impurity content (5.6% Pb for March 2019 vs 7.5% Pb Q4 2018). Silica content remained within the target range of 5.0-7.5% SiO₂ (6.9% SiO₂ average for the quarter).

While hydraulic mining operations maintained two cannons in operation for Q1 2019, wet season effects and mining of marginally lower grade zones of the tailings dam caused an 8% reduction in overall zinc metal mined (1.39Mt at 2.92% Zn Q1 2019 vs 1.5Mt at 2.95% Zn Q4 2018). Despite this decrease in total metal mined, the operations still achieved an increase in metal production of over 50%, further demonstrating the significance in improvement of plant metallurgical performance.

Post quarter end the installation of a third mining cannon and pumping system was completed, resulting in ability for the operations to target ramp up to a mining rate consistently above 8.0Mtpa and up to 10Mtpa during Q2 2019.

	Mining Performance			Processing Performance		
	Mining Rate	Mined Grade	Cannons in Use	Concentrate	Grade	Zinc Metal
Q4 2018	1.50Mt	2.95% Zn	2	25,500t	47.0% Zn	12,080t
Q1 2019	1.39Mt	2.92% Zn	2	37,500t	48.3% Zn	18,170t
Difference	-7.3%	-1.1%	-	+47.1%	+2.8%	+50.4%

The Company is targeting ramp up to 15Mtpa mining rate by the end of CY 2019 (via the implementation of five cannons) and continued progression toward the remainder of nameplate recovery during the Q2 2019.

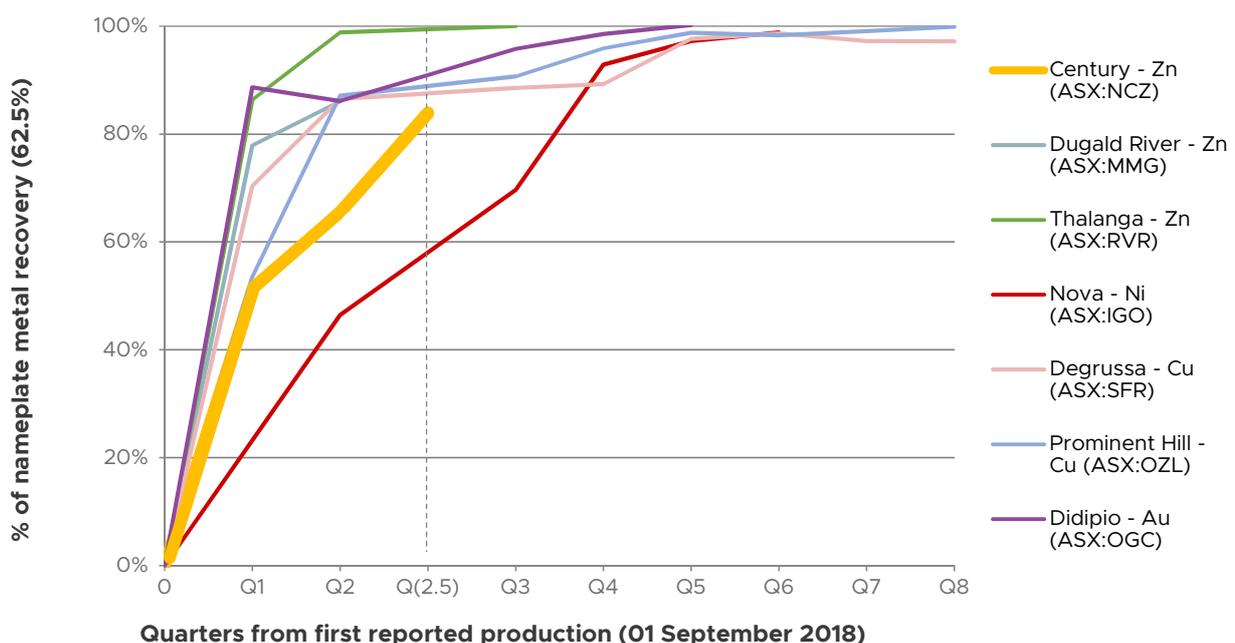


Figure 2: Century's processing plant ramp up performance against other ASX listed start-up operations to the end of Q1 2019 (Source: public company data & Credit Suisse estimates)

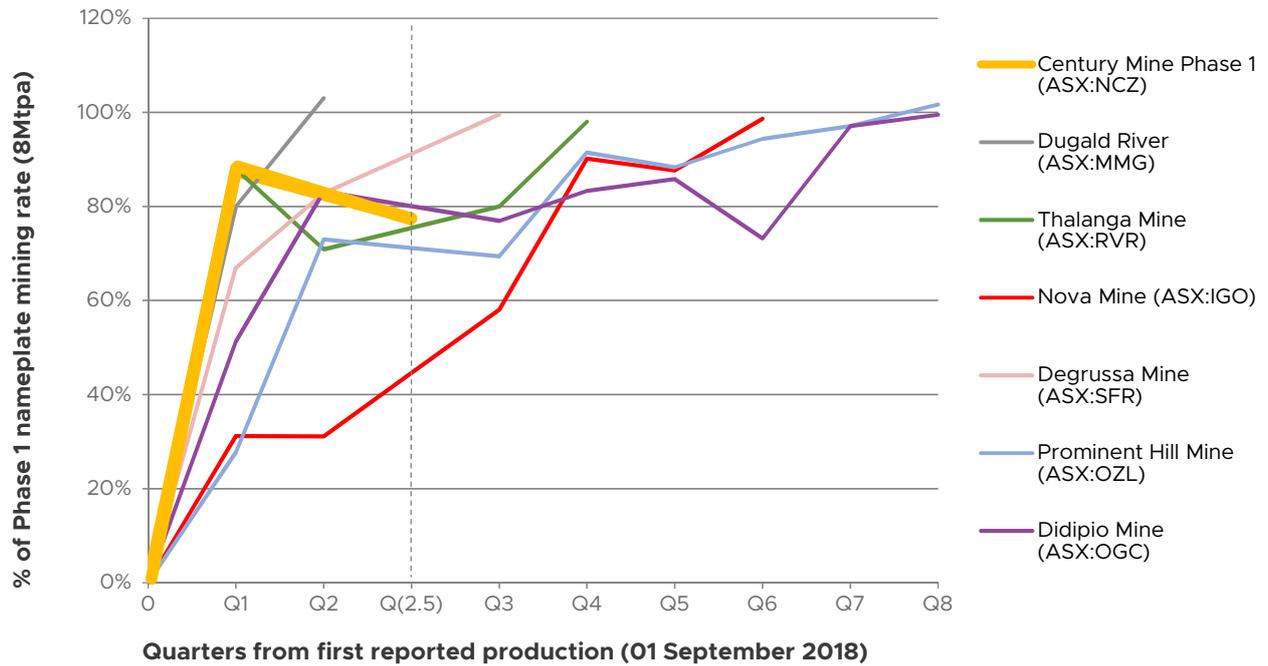


Figure 3: Century’s hydraulic mining ramp up performance against other ASX listed start-up operations to the end of Q1 2019 (Source: public company data & Credit Suisse estimates)



Figure 4: Commissioning activities for the 3rd mining cannon & pumping system

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