

2021 Zinc Concentrate Benchmark Treatment Charge Set at US\$159/t

Highlights:

- The 2021 annual zinc concentrate benchmark treatment charge (TC) has been set at US\$159/t, a 47% reduction from the 2020 benchmark of US\$299.75/t
- TCs represented ~30% of New Century's C1 cost base in 2020, with the reduction to provide significant economic tailwinds for the operations in 2021
- Anticipated reduction in C1 costs of ~US\$0.14/lb as a result of the TC drop¹
- Zinc market tightness continues to drive strong price fundamentals (current zinc price US\$1.29/lb / US\$2,850/t), resulting from prolonged covid-19 related supply interruptions against strong metal demand in China

New Century Resources Limited (NCZ, New Century or the Company) (ASX:NCZ) is pleased to report that the annual zinc concentrate benchmark treatment charge (TC) has been set at US\$159/t for 2021, representing a 47% drop from the 2020 benchmark TC of US\$299.75/t.

The zinc concentrate benchmark TC is negotiated annually between Teck Resources Limited and Korea Zinc Co. Ltd and traditionally forms the basis for pricing of zinc concentrate smelting contracts between other miners and smelters globally.

In 2021, approximately 85% of Century zinc concentrate shipments are anticipated to occur against contracts linked to the annual benchmark TC of US\$159/t (with Century contracts averaging a moderate discount to the benchmark TC due to concentrate supply scale and quality). The remaining product is anticipated to ship against the variable spot TC (currently at ~US\$70/t).

The reduction in benchmark TC has significant positive economic implications for New Century, with TCs representing ~30% of the C1 cost base in 2020 (the Company's largest single cost).

The drop in TCs is anticipated to reduce C1 costs by ~US\$0.14/lb (payable metal)¹. This in turn delivers a material operational cashflow increase for the Company, given its existing globally significant production rate (December 2020 quarter: 59,400,000 payable lbs production) and plans for production expansion in 2021.

The 2021 benchmark TC is retrospectively applied from 1st January 2021, resulting in New Century receiving back-payment for shipments issued at higher TCs during the March 2021 quarter.

¹ Assumes an average realised TC for 2021 of US\$159/t against New Century's 2020 weighted average realised TC of ~US\$280/t

This announcement is approved for release by the Board of New Century Resources.

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