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16 June 2025
ASX: ZNC
ASX Market Release

A$3.5m Fully Underwritten Entitlement Offer to Accelerate Exploration and Resource Growth at Newly Consolidated Dulcie Gold Project

HIGHLIGHTS

- **Equitable Capital Raising to Grow Gold Resource:** Funding primarily supports a significant exploration campaign at Zenith's newly consolidated Dulcie Gold Project in Western Australia (refer to ASX Announcement dated 10 June 2025) and a targeted deep diamond drilling campaign at the Red Mountain Gold Project in Queensland.
- **Aggressive Exploration Campaign at Dulcie Gold Project:** Zenith intends to commence a 9,000-12,000m drilling campaign at Dulcie Gold Project aimed at expanding the company's existing JORC Inferred Mineral Resource Estimate (**MRE**) at the consolidated Gold Project, strengthening the pathway towards commercial gold production.
- **Fully Underwritten Entitlement Offer**: To be offered on a 2 for 7 basis to raise up to approximately A$3.5m. The Offer is being undertaken at an issue price of A$0.03 per New Share with one (1) free--attaching unlisted option for every three (3) New Shares subscribed for under the Offer, exercisable at A$0.077 and expiring on 31 July 2027.
- **Capital Raising Supported by Board and Management:** Strong support from Board and Management, including general sub-underwriting commitments of $150,000 and $100,000 from Managing Director, Andrew Smith and Non-Executive Directors Euan Jenkins respectively, and commitments from other Directors to apply for their respective entitlements (refer to section 10.3 of the Prospectus for more information).
- **Recently Acquired Confirmed Gold System:** Zenith's recently announced strategic acquisition consolidates an additional 3km of highly prospective strike immediately south of the existing Dulcie Far North Project ("DFN") (**JORC Inferred MRE: 5.1Mt @ 1.3g/t Au for 210koz Au**) [1]. Initial drilling by Zenith in 2020-2021 identified substantial gold mineralisation, including a standout intercept **of 32m @ 9.4 g/t Au from 14m**[2]. The acquired tenements currently host active heap-leach mining operations, significantly reducing exploration, operational, and permitting risks, providing immediate avenues to accelerate resource growth and potential project development.

Zenith Minerals Limited (ASX: ZNC) ("**Zenith**" or the "**Company**") is pleased to announce that it will undertake a fully underwritten, pro-forma non-renounceable entitlement offer ("**Entitlement Offer**" or "**Offer**") to raise approximately A$3.5 million (before costs). The Offer will be conducted on the basis of two (2) fully paid ordinary shares ("**New Shares**") for every seven (7) existing shares held by eligible shareholders at an issue price of A$0.03 per New Share, with one (1) free unlisted attaching option ("**New Option**") for every three (3) New Shares subscribed, exercisable at A$0.077 and expiring on 31 July 2027. The Offer is fully underwritten by Leeuwin Wealth Pty Ltd ("**Leeuwin Wealth**" or the "**Underwriter**"), subject to the terms of the underwriting agreement executed between the Company and Leeuwin Wealth

[1] See ASX release dated 12 December 2024 titled "40% Increase in Mineral Resource at Dulcie Far North" and updated in ASX Release dated 17 December 2024 titled "Updated Announcement – Mineral Resource at Dulcie Far North"
[2] See ASX release dated 2 December 2020 titled "Major Drill Campaign Commenced at Split Rocks Project".

("**Underwriting Agreement**"). Leeuwin Wealth is also acting as Lead Manager and Corporate Advisor to the Offer. Cumulus Wealth Pty Ltd ("Cumulus Wealth") is acting as Co-Manager to the Offer. The Offer will be made under the Prospectus, which is expected to be lodged with ASIC on or about Monday, 16 June 2025.

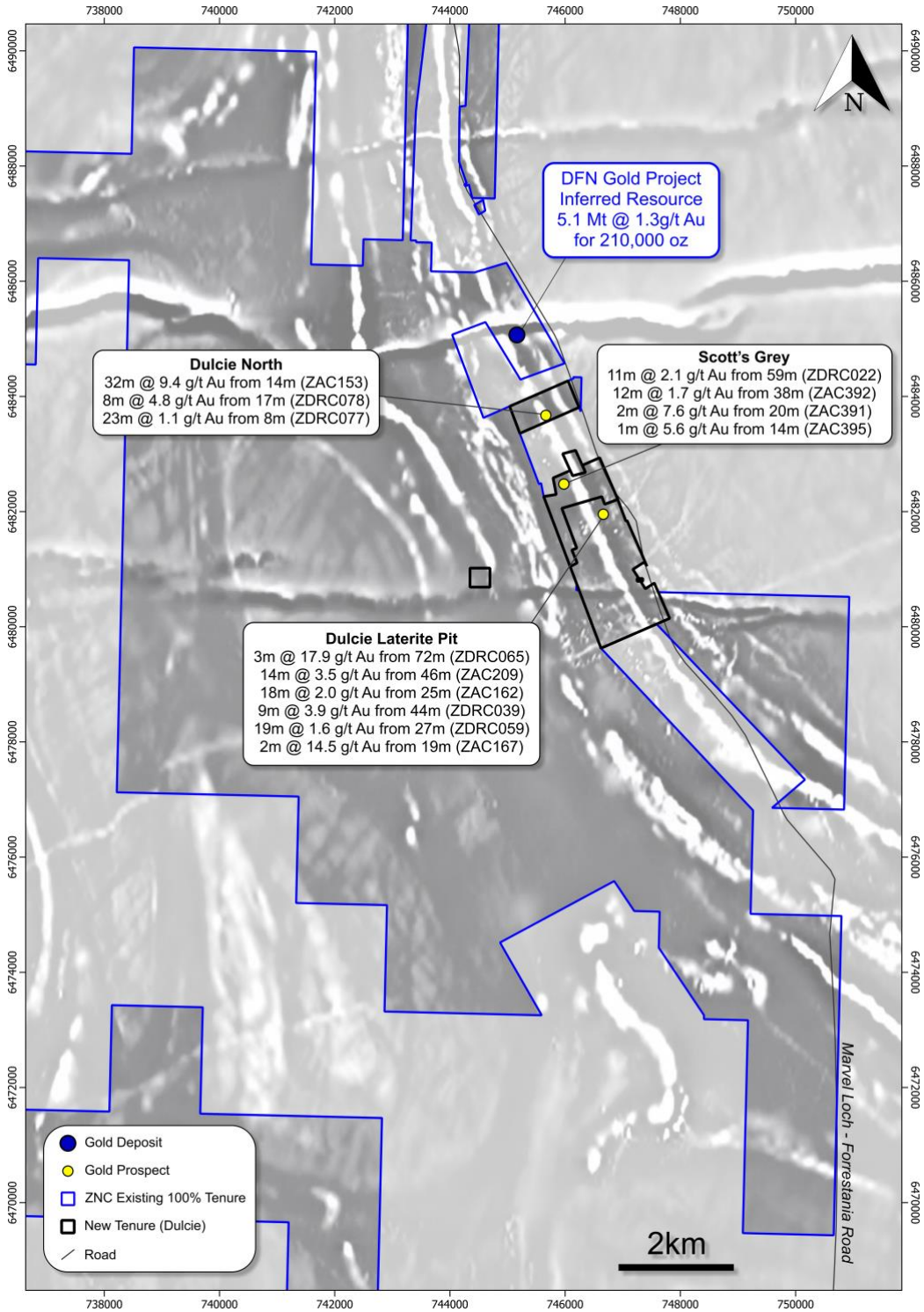


Figure 1: Map illustrating Zenith's consolidated Dulcie Gold Project tenure, highlighting the existing DFN resource area and the newly acquired tenements immediately south along the prospective Dulcie shear zone. Drill intercept details are referenced within this announcement and previously released ASX announcements listed herein.[3]

[3] See Competent Person statement for list of ASX Releases relating to intercepts listed on this map.

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Zenith's Managing Director, Andrew Smith commented:

"This capital raise, combined with our recent strategic acquisition, places Zenith in an exceptional position to rapidly advance exploration and resource development at our expanded Dulcie Gold Project area and drilling at our Red Mountain Gold Project. Securing this funding allows Zenith to systematically progress multiple high-priority targets, potentially grow our resource base significantly, and enhance our pathway towards potential near-term gold production, delivering clear value for shareholders.

In terms of exploration milestones throughout the remainder of 2025, shareholders can expect:

- *An update with respect to the JORC Mineral Resource at DFN, following our recent successful 37-hole drilling campaign confirmed substantial additional gold mineralisation and stacked lode continuity[4];*
- *Commencement of our largest drilling campaign (~9,000m) at the broader Dulcie Project, targeting resource expansion and targeting a potential maiden JORC Mineral Resource on the newly acquired ground;* [5]
- *Deep diamond drilling across four planned holes at Red Mountain, designed to test and confirm the potential of a sizeable intrusion-related gold system (IRGS)-style deposit and associated copper porphyry-style mineralisation"* [6]

Acquisition Overview:

Zenith recently announced the strategic acquisition of exclusive subsurface rights below 8m depth, significantly expanding the Dulcie landholding. This acquisition adds approximately 3km of highly prospective strike immediately south of Zenith's existing DFN resource area (5.1Mt @ 1.3g/t Au for 210koz Au)[7]. The acquired area represents a direct continuation of the mineralised Dulcie shear zone, hosting parallel gold-bearing structures and presenting substantial near-term opportunities to delineate and expand Zenith's gold resources through focused exploration.

Zenith has planned a circa 9,000m RC exploration drilling campaign, targeting MRE expansion at Dulcie Far North and exploration drilling at the newly acquired tenements, located on existing Mining Licenses (**ML**).

The acquired MLs include areas currently hosting active heap-leach mining operations, which are owned and operated by Highscore-RRA, significantly de-risking the Project by confirming existing permitting pathways and demonstrating established mineralisation amenable to mining. The continuation of surface mining by the existing operator further streamlines subsurface exploration and supports a rapid, low-risk pathway to MRE expansion and future development.

The gold system at the acquired MLs was initially drilled by Zenith between 2020 and 2021, confirmed the continuation of the Dulcie Far North gold mineralisation, leaving extensive shallow zones inadequately tested and open for potential subsurface MRE growth. Highlights from previous drilling include:

- **32m @ 9.4 g/t Au from 14m**, incl **9m @ 31.4 g/t Au** from 17m (ZAC153) [2] at **Dulcie North**;
- **3m @ 17.9 g/t Au from 72m**, incl **2m @ 26.5 g/t A**u from 73m (ZDRC065) [8] at **Dulcie Laterite Pit**;
- **14m @ 3.5 g/t Au from 46m**, incl **4m @ 6.7 g/t Au** from 51m (ZAC209) [2] at **Dulcie Laterite Pit**;

[4] See ASX release dated 19 May 2025 titled "Final Results at DFN Underpin Forthcoming Mineral Resources".
[5] See ASX release dated 10 June 2025 titled "Strategic Acquisition of Subsurface Rights to Expand Dulcie"
[6] See ASX release dated 10 April 2025 titled "Zenith Secures $275k CEI Grant for Red Mountain Gold Project"
[7] See ASX release dated 12 December 2024 titled "40% Increase in Mineral Resource at Dulcie Far North" and updated in ASX Release dated 17 December 2024 titled "Updated Announcement – Mineral Resource at Dulcie Far North"
[8] See ASX release dated 21 April 2021 titled "New Results Extend & Confirm New Gold Zones at Split Rocks".

- **18m @ 2.0 g/t Au from 25m** (to EOH), including **1m @ 23.7 g/t Au** from 33m (ZAC162)[9] at **Dulcie Laterite Pit**;
- **8m @ 4.8g/t Au from 17m**, including **3m @ 6.9g/t Au** from 20m (ZDRC078)[10] at **Dulcie North**;
- **11m @ 2.1g/t Au from 59m**, including **6m @ 3.3g/t Au** (ZDRC022)[11] at **Scott's Grey**; and
- **19m @ 1.6g/t Au from 27m**, including **3m @ 7.4g/t Au** from 27m (ZDRC059)[10] at **Dulcie Laterite Pit**.

Acquisition Terms:

Zenith has executed a binding term sheet agreement with Highscore Pty Ltd and Richard Read and Associates Pty Ltd ("Highscore-RRA") to acquire exclusive subsurface exploration and mining rights (below 8m depth) across the Project tenements. Details of the agreement as follows:

- **Subsurface Rights:** Exclusive rights to all minerals below 8m from the natural surface.
- **Initial Consideration:** Total of A$250,000 comprising:
  - A$50,000 cash payment.
  - A$200,000 in Zenith fully paid ordinary shares, based on the 30-day VWAP, subject to an escrow period of 6 months.
- **Royalty Arrangement:** 2% Net Smelter Return (NSR) royalty on subsurface gold production, payable quarterly.
- **Low-grade Ore Rights:** The Vendor retains rights to reprocess ore deemed uneconomic by Zenith, subject to operational constraints.
- **Milestone Payments:** Additional milestone payments of A$150,000 in Zenith shares for each incremental 100,000oz of gold delineated through exploration, calculated at Zenith's 30-day VWAP prior to each milestone announcement, with shares subject to a 6-month escrow.
- **Minimum Expenditure Commitment:** Zenith must spend a minimum of AUD$2 million on field exploration activities within four years from the agreement execution date, unless adjusted by mutual agreement due to external delays beyond Zenith's control.
- **Tenement Acquisition Options:**
  - Zenith holds a one-off option, exercisable within five years, to acquire a 100% legal and registered interest in any or all of the tenements (subsurface rights only) for a single payment of A$500,000. In exercising this option, the Vendor will retain the surface rights, the low-grade ore rights, and the 2% NSR royalty on gold production from subsurface operations.
  - Zenith holds a separate strategic call option, also exercisable within five years upon completion of the initial exploration programme, to acquire 100% of the entire operation (including both surface and subsurface rights) based on a gold price-linked formula with a minimum price of AUD$5 million and capped at AUD$10 million. Exercising this call option would extinguish the existing royalty arrangement and low-grade ore rights, and transfer all rehabilitation obligations related to surface activities to Zenith.

[9] See ASX release dated 2 September 2020 titled "Very High-Grade to 199 g/t Au – Split Rocks – WA".
[10] See ASX release dated 21 April 2021 titled "New Results Extend & Confirm New Gold Zones at Split Rocks".
[11] See ASX release dated 14 February 2020 titled "New Drill Targets & Drill Results from Split Rocks".

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See Zenith's announcement dated 10 June 2025 for more information on the acquisition.

Non-Renounceable Entitlement Offer:

To fund the planned high-impact exploration program at the newly consolidated Dulcie Gold Project, along with exploration at the Red Mountain Gold Project and general working capital, Zenith is undertaking a fully underwritten pro-rata, non-renounceable entitlement offer, to raise up to approximately A$3.5m (**Entitlement Offer** or the **Offer**). Existing eligible shareholders of the Company will be offered the opportunity to subscribe for two (2) new fully paid ordinary shares in the Company (**New Shares**), for every seven (7) shares owned, at an issue price of A$0.030 per New Share.

The Offer will be issued together with one (1) free unlisted attaching option for every three (3) New Share subscribed under the Offer, exercisable at A$0.077 on or before 31 July 2027 (**New Options**).

The Entitlement Offer will be made under the Prospectus, to be lodged with ASIC on or about Monday, 16 June 2025.

The Offer is fully underwritten by Leeuwin Wealth, the Underwriter, Lead Manager and Corporate Advisor. Cumulus Wealth is acting as Co-Manager to the Offer. The Offer is fully underwritten, in line with the terms of an underwriting agreement (**Underwriting Agreement**) between Leeuwin Wealth and the Company. Terms of the Underwriting Agreement will be outlined in the Prospectus to be lodged on Monday, 16 June 2025.

The issue price represents a 23.1% discount to the Company's last closing price of A$0.039 on 10 June 2025 (the Company entered a trading halt on 11 June 2025) and an 18.9% discount to the Company's theoretical ex-rights price of A$0.037.

Overview of the Entitlement Offer:

Shareholders with a registered address in Australia, New Zealand or the United Kingdom as at 5pm (WST) on Thursday, 19 June 2025 (**Record Date**) will be eligible to participate in the Entitlement Offer (**Eligible Shareholders**).

The right to subscribe for the New Shares under the Entitlement Offer will be non-renounceable (meaning rights to acquire the New Shares will not be tradeable on the ASX and are otherwise are not able to be sold or transferred). All New Shares issued will rank equally with the Company's existing shares on issue and the Company will apply for quotation of the New Shares in accordance with the indicative timetable below. The Entitlement Offer is expected to close at 5pm (AWST) on Monday, 7 July 2025. Valid applications must be received before that time.

Further details of how to participate in the Entitlement Offer, the associated risks of the Entitlement Offer, the full terms of the Entitlement Offer will be set out in the Prospectus to be released to the market shortly and dispatched to shareholders on Friday, 20 June 2025. Set out below is the proposed timetable of the Entitlement Offer.

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Use of Funds:

Funds raised from the Entitlement Offer will be used principally to pursue an aggressive exploration drilling campaign at the Company's 100% owned and newly consolidated Dulcie Gold Project in Western Australia, along with conducting a deep diamond drilling program at the Red Mountain Gold Project in Queensland and provide the Company with general working capital.

Uses of Funds	**A$m**
Drilling Program at the Dulcie Far North Project	0.9
Drilling Program at newly acquired Dulcie Gold Project	0.9
Drilling Program at the Red Mountain Project	0.7
Working Capital	0.68
Costs of the Offer	0.35
Total	**3.5**

Indicative Timetable

Summary of Key Dates	**Date/Time (Perth time)**
Trading Halt	Wednesday, 11 June 2025
ASX Announcement / Resume Trading	Monday, 16 June 2025
Lodgement of Prospectus with ASX and ASIC	Monday, 16 June 2025
Ex-Date	Wednesday, 18 June 2025
Record Date for Entitlement Issue (5pm AWST)	Thursday, 19 June 2025
Indicative Opening Date of the Entitlement Issue	Friday, 20June 2025
Last day to extend the Entitlement Offer Closing Date	Wednesday,2 July 2025
Indicative Closing Date of the Entitlement Issue	Monday, 7 July 2025
Securities quoted on a deferred settlement basis from market open	Tuesday, 8 July 2025
Notification of Shortfall	Wednesday, 9 July 2025
Anticipated DvP Settlement of New Shares under the Shortfall	Friday, 11 July 2025
Normal Trading of new shares expected to commence	Monday, 14 July 2025

*Timetable is indicative and subject to change. All times in AWST

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Proposed Performance Rights Package to Board and Management:

Zenith proposes to issue Performance Rights to the Board, Management and Executive teams equating to 10% of the Company's post-Offer issued capital (totalling 52,945,549 Performance Rights), subject to receipt of shareholder approval.

The Board reserves the right to allocate the Performance Rights across the Board, Management and Executive teams in amounts to be determined and included in the shareholder approval meeting materials.

Performance Rights will vest equally upon achieving the following milestones:

- Delineation of a JORC Indicated MRE at the consolidated Dulcie Gold Project exceeding 500,000 ounces Au at a grade above 1.2g/t Au.
- Delineation of a JORC Indicated MRE at the consolidated Dulcie Gold Project exceeding 700,000 ounces Au at a grade above 1.2g/t Au.
- Achieving a Market Capitalisation greater than A$50 million for 20 consecutive trading days.
- Achieving a Market Capitalisation greater than A$100 million for 20 consecutive trading days.
- Commencement of commercial production at the consolidated Dulcie Gold Project.

Full details will be included in the Notice of Meeting seeking shareholder approval to the package.

For further information, please contact:

Zenith Minerals Limited

Andrew Smith
Managing Director
P: +61 8 9226 1110
E: info@zenithminerals.com.au

MC Capital

Ben Henri
Partner
M: +61 473 246 040
E: ben.henri@mcpartners.com.au

To learn more, please visit www.zenithminerals.com.au

This ASX announcement has been authorised by the Board of Zenith Minerals Limited

ABOUT ZENITH MINERALS LIMITED

Zenith Minerals Limited (ASX: ZNC) is an Australian exploration company focused on advancing a diverse portfolio of gold and lithium projects in Western Australia and Queensland. The company is strategically positioned to capitalise on the growing demand for both precious metals and battery minerals. Key gold assets include the Red Mountain Gold Project in Queensland, which has returned high-grade results, and the Dulcie Far North Project and Dulcie Gold Project in Western Australia, located within the highly prospective Southern Cross/Forrestania Greenstone Belt. On the lithium front, Zenith's Split Rocks Project has established a maiden resource, while the Waratah Well project presents further exploration potential. In addition to its core projects, Zenith holds a 25% interest in the Earaheedy Zinc Deposit, free carried through to a bankable feasibility study with Rumble Resources Limited.

COMPETENT PERSONS STATEMENT

The information in this announcement relating to Exploration Results and Activities is based on information compiled by Mr Daniel Greene, Exploration Manager and employee of Zenith Minerals Limited, a Member of the Australasian Institute of Geoscientists. Mr Greene has sufficient experience relevant to the style of mineralisation and deposit type under consideration, and the activities undertaken, qualifying him as a Competent Person as defined in the 2012 JORC Code. Mr Greene consents to the inclusion of information in the form and context presented

MATERIAL ASX ANNOUNCEMENTS PREVIOUSLY RELEASED

The Company has released all material information that relates to Exploration Results, Mineral Resources and Reserves, Economic Studies and Production for the Company's Projects on a continuous basis to the ASX and in compliance with JORC 2012.

The information has been previously reported to the ASX and is extracted from the following reports available to view on Zenith's website:

All relevant Zenith ASX releases dated:

- ASX ZNC 14 February 2020 (Michael Clifford)
- ASX ZNC 2 September 2020 (Michael Clifford)
- ASX ZNC 19 October 2020 (Michael Clifford)
- ASX ZNC 2 December 2020 (Michael Clifford)
- ASX ZNC 17 December 2020 (Michael Clifford)
- ASX ZNC 15 January 2021 (Michael Clifford)
- ASX ZNC 11 March 2021 (Michael Clifford)
- ASX ZNC 21 April 2021 (Michael Clifford)
- ASX ZNC 30 September 2021 (Michael Clifford)
- ASX ZNC 12 & 17 December 2024 (John Horton)
- ASX ZNC 19 May 2025 (Daniel Greene)

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements referenced herein. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

FOREIGN OFFER RESTRICTIONS:

This Rights Offer is not available in the United States or to any person acting for the account or benefit of persons in the United States, and securities offered have not been and will not be registered under the U.S. Securities Act. Participation is limited to eligible shareholders in Australia, New Zealand, and the United Kingdom only.

New Zealand resident Eligible Shareholders

The New Securities offered under the Offer pursuant to the Prospectus are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand and to whom the Offer is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

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The Prospectus will not be registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand).

The Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

United Kingdom resident Eligible Shareholders

Neither the Prospectus nor any other document relating to the Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the UK Prospectus Regulation. The Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, the Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which the Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on the Prospectus.

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