

04 August 2017

SUCCESSFUL DEMONSTRATION OF >60% ZINC RECOVERY INTO HIGH GRADE CONCENTRATE FROM CENTURY TAILINGS DEPOSIT

- Substantial improvement in zinc recoveries of up to 64% into a premium 50-53% Zn concentrate from Century Tailings Deposit
- Potential for additional payable metal credits through silver and lead
- Extensive metallurgical test work completed to date including a 10,000t bulk pilot processing trial through the existing Century Processing Plant
- Expert metallurgical team appointed to oversee Century Processing Plant restart
- Optimisation testwork underway to examine by-product credits and additional throughput rates at Century Processing Plant
- Identified potential significant opex savings in power consumption and reagent use
- All results to be incorporated into Century Restart Feasibility Study due Q4 2017

New Century Resources Limited (Company or New Century) (ASX:NCZ) is pleased to announce the results of optimisation testwork recently completed at ALS Laboratories, confirming a design zinc recovery range of 60-64% for the reprocessing of the Century Tailings Deposit.



Figure 1: New Century's 7Mtpa Processing Plant to be used to restart processing at the Century Zinc Mine

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The optimisation testwork results were generated from tailings deposit Indicated Resource samples. These results highlight substantially improved recoveries on previous independent testwork, which had already achieved excellent recoveries of 50% zinc into concentrate grading 52% Zn.

New Century's test work was carried out by independent metallurgical laboratory group Auralia Metallurgy under supervision of the Company's Metallurgy Manager, Rod Smith. Rod is one of Australia's preeminent flotation experts with over 30 years' experience in metallurgical and flotation process development and operation. Prior to New Century, Rod worked at AMMTEC Ltd, including 13 years as Managing Director. AMMTEC was one of Australia's largest mining metallurgical laboratories, purchased by ALS Ltd (ASX:ALS) in 2011. A brief summary of New Century's metallurgical team can be found in the Appendix to this announcement.

Commenting on the metallurgical test work completed to date, Rod Smith said:

"Verification of zinc recovery and concentrate grade is an important step in confirming the overall value proposition of the Project. It is a fantastic achievement of the New Century metallurgical team to have built on the substantial historical development work, including a 10,000t bulk pilot processing trial, to successfully improve on the previous 50% zinc recoveries and achieve production of a high quality zinc concentrate from the substantial tailings resource at Century."

New Century Managing Director, Patrick Walta, commented:

"Century represents one of the most exciting potential near-term producing zinc assets on the ASX. The strong zinc recovery results and high concentrate grades achieved to date from the Century Tailings Deposit, combined with the sheer scale of the existing flotation plant at site, should enable Century to once again establish itself as a significant zinc producing asset."

Significant testing and piloting of the tailings reprocessing flow sheet has been completed to date, with further optimisation work commenced. This optimisation work is a part of a broader metallurgical program for the Restart Feasibility Study (FS) currently underway (see ASX announcement dated 02 Aug 2017) and is using composite samples obtained from the current tailings drilling program (see ASX announcements dated 20 July 2017 and 27 July 2017). This testwork will also provide concentrate samples for offtake negotiations.

As a part of the FS, Sedgman is also completing a review of all metallurgical testwork and plant data in order to independently reconfirm the zinc recoveries achieved to date, in addition to the design throughput achievable for tailings through the existing processing plant at the mine site.

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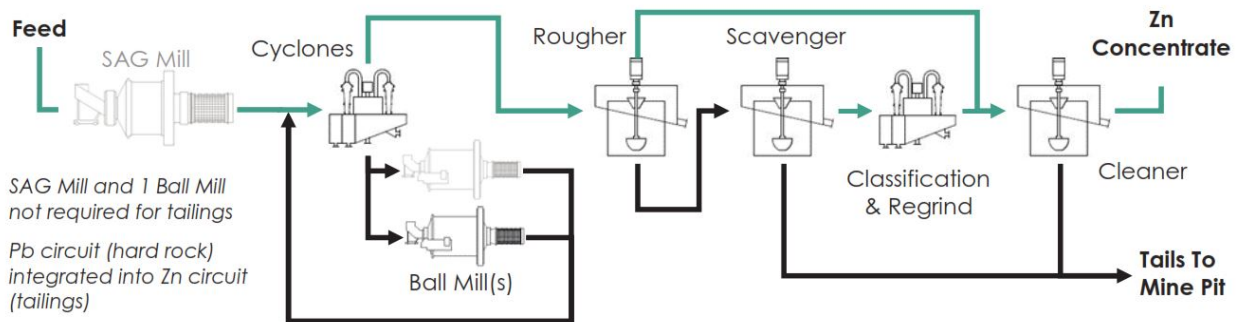


Figure 2: Tailings reprocessing versus hard rock processing in the existing Century Processing Plant

The following is a summary of the metallurgical test work completed to date on the recovery of zinc from the Century Tailings Deposit:

1999-2016: Production from the original Century 'Big Zinc' Deposit

- Operation involved progressive grinding to <math><10\mu\text{m}</math> and sequential flotation
- Over 1Mtpa of zinc concentrate produced via the 7Mtpa processing plant for 16 years
- Focused on high throughput at the expense of maximizing recovery (2015: 74%)
- >70Mt of tailings generated at a zinc grade of >2.7%

2014-2015: MMG Tailings Reprocessing Trials - Low Grade Concentrate Production

- 10,000t Bulk Pilot Trial: achieved over 70% recovery of Zn into a Rougher concentrate
- MMG focus was on direct metal production on site (as opposed to the historic concentrate only operations) via significant additional site processing infrastructure
- Independent testwork (ALS Laboratories) validated performance of the pilot trial

2016: MMG Tailings Reprocessing Trials - High Grade Concentrate Production

- Focussed only on utilisation of existing equipment within the Century Processing Plant
- Commissioned testwork by Changsha Research Institute of Mining & Metallurgy (CRIMM)
- Built on Bulk Pilot Trial with additional Scavenger and Cleaner unit operations
- Successful zinc recovery of 52% into a concentrate grade of >48% Zn
- Independent testwork by ALS Laboratories validated performance of CRIMM testwork

2017: New Century - High Grade Concentrate Production: Flowsheet Optimisation Testwork

- Built on success of MMG High Grade Concentrate Production testwork program
- All proposed modifications continue to use only the existing Century Processing Plant
- Initial New Century acquisition due diligence testwork program focused on replicating previous MMG work, successfully achieving a recovery of 50% zinc into a concentrate grade of 52% Zn.

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- Following these results, optimisation testwork was completed on tailings deposit Indicated Resource samples
- New Century achieved further successful recovery improvements via testwork completed at ALS Laboratories and Auralia Laboratories, including:
 1. Utilisation of one existing ball mill to reduce float feed grind size from a p80 of 75µm to ~40µm, liberating ~30% additional zinc for flotation from the coarser size fraction;
 2. Reduced copper sulphate addition by 65%, improving zinc flotation performance and reducing gangue material flotation; and
 3. Included rougher concentrate in regrind allowing further liberation of zinc for flotation.
- The total impact of improvements has achieved increased zinc recovery from 50% to up to 64% at zinc concentrate grade of 53%.

The flow sheet proposed for tailings reprocessing has also highlighted potentially large operating cost savings compared to historical hard rock operations. This is principally from:

- Tailings reprocessing in the Century Process Plant having a reduced power consumption compared to hard rock operations due to the removal of the bulk of upfront crushing and grinding process requirements;
- Reduced copper sulphate consumption as highlighted in testwork optimisation process; and
- Significant reduction in total site labour requirements due to hydraulic mining method of tails compared to hard rock mining operations.

Each of these items will be further investigated in the current metallurgical testwork and FS.

About New Century Resources Limited

New Century Resources Limited (ASX: NCZ) is an ASX listed base metal development company targeting the recommencement of operations from its 70% owned (option to acquire 100%) Century Zinc Mine in Queensland, Australia. The Century Zinc Mine was the 3rd largest zinc mine in the world prior to its closure in 2016 and still hosts extensive mineralisation in excess of 2.18Mt of zinc, 340,000t of lead and 11Moz of silver.

New Century acquired its interest in 2017 and is currently undertaking a Restart Feasibility Study into the recommissioning of the existing 7Mtpa Century Processing Plant via the initial treatment of tailings before examining its other primary ore sources.

In addition to the 7Mtpa process plant, the Century Zinc Mine boasts world class infrastructure including its own port and transshipment vessel in Karumba, a 700 person camp, airport and sealed run way, grid power connection and 304km slurry pipe line to transfer its concentrate from the process plant to the port.

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Appendix: New Century Metallurgy Team

Rod Smith - Metallurgy Manager

- Over 30 years metallurgy and flotation experience in zinc, lead, copper, gold in Australia, Philippines and Africa
- Other roles include: Managing Director of AMMTEC Ltd, Managing Director of Eureka Metallurgy, Chief Metallurgist for Carbine Resources Limited, Research Officer for WA Government Mines Department, Metallurgist for Great Boulder Mines Ltd
- Associateship in Metallurgy from the WA School of Mines

John Carr - Chief Business Development Officer

- Metallurgist with a significant track record in process and technology development for polymetallic and tailings operations for zinc, gold, nickel, cobalt, scandium, uranium and vanadium in Australia and Africa.
- Other roles include: General Manager - Metals for Clean TeQ, Founder and Director of Raging Bull Mining, Technical Director of PekoBull, Process Engineer for Rio Tinto.
- Bachelor Degree in Chemical Engineering from Melbourne University and MBA from Deakin University

Michael Pitt - Utilities & Water Treatment Manager

- Chemical Engineer with extensive experience in metal and water treatment technology development and is leading soluble zinc recovery development work for New Century
- Other roles include: Managing Director of Extract Mine Water Solutions, Principal - Strategy, Development and Planning for BHP, Manager - Development for Associated Water
- Bachelor of Chemical Engineering and Bachelor of Genetics from Melbourne University

Lachlan Steele - Independent Flotation Consultant

- Current Principal Metallurgist at Auralia Laboratories with over 14 years' experience in flotation process development and optimisation
- Other roles include: Principal Metallurgist Flotation and Flotation Manager for ALS Ammtec
- Bachelor Degree in Extractive Metallurgy from Murdoch University

Patrick Walta - Managing Director

- Process Engineer with focus on technical and commercial flow sheet development for polymetallic and coking coal projects in Australia, USA and Africa
- Other roles include: Founder and Director of Raging Bull Mining, Executive Director of Carbine Resources, Executive Director for Primary Gold, CEO of Cradle Resources
- Bachelor Degrees in Chemical Engineering and Science from Melbourne University, MBA from Deakin University and a Masters in Mineral Economics from Curtin University.

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Competent Persons Statement

The information in this presentation that relates to Mineral Resources (as that term is defined in the JORC Code) in respect to the Century Tailings Deposit was reported by the Company in its prospectus released to ASX on 20 June 2017. The Company confirms that it is not aware of any new information or data that materially affects the Century Tailings Deposit resource estimate, and that all material assumptions and technical parameters underpinning that estimate continue to apply and have not materially changed.

Table 1: Global mineral resources estimate for the Century Project

	Tonnes (Mt)	Zinc (%)	Lead (%)	Silver (g/t)	Zinc Metal (t)
Century Tailings Deposit					
Indicated	12.8	2.97	-	-	380,000
Inferred	58.2	2.68	-	-	1,560,000
Total	71.0	2.73	-	-	1,940,000
Silver King Deposit					
Total (Inferred)	2.7	6.9	12.5	121	185,000
East Fault Block Deposit					
Total (Inferred)	0.5	12	1.1	48	60,000

For further information please contact:

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