

NEW CENTURY RESOURCES TO MOVE TO 100% INTEREST IN THE CENTURY ZINC MINE

- Proposed acquisition of remaining 30% interest in the Century Zinc Mine through purchase of Century Bull Pty Ltd
- Equity only transaction & escrow of all new equity securities for 12 months

New Century Resources Limited (Company or New Century) (ASX:NCZ) is pleased to announce the conditional acquisition of the final remaining 30% minority interest in the Century Zinc Mine. The proposed acquisition will move the Company to 100% interest in the Project.

The acquisition of the final interest is to be achieved through the purchase of Century Bull Pty Ltd (Century Bull), which holds a 30% interest in Century Mine Rehabilitation Project Pty Ltd (CMRP) which is the owner of all assets associated with the Century Zinc Mine and supporting logistics infrastructure. New Century Resources owns the remaining 70% of CMRP. The proposed acquisition is conditional on New Century shareholder approval and a Notice of Meeting with all relevant details will be circulated shortly.

The proposed transaction structure is a simple equity transfer deal given both New Century Resources and Century Bull own a percentage of the same asset (being CMRP). It is proposed that New Century Resources move from 70% to 100% ownership in CMRP through the issuance of 30% of its capital structure to existing shareholders of Century Bull.

The total allocation of equity securities to Century Bull shareholders for the acquisition will be:

- 126,000,000 NCZ ordinary shares; and
- 35,000,000 NCZ options with a three year expiry and an average exercise price of \$0.42/share (see Table 2 for detailed breakdown of NCZ option pricing).

Table 1: Overview of proposed acquisition terms and revised NCZ capital structure

	Current NCZ Capital Structure	Proposed Century Bull Equity Allocation	Revised NCZ Capital Structure	
	Project Interest 70%	Project Interest 30%	Project Interest 100%	Century Bull %
NCZ Shares	295.7M	126.0M	421.7M	29.9%
NCZ Options	80.5M	35.0M	115.5M	30.3%

All equity securities issued under the proposed transaction will be subject to 12 months escrow.

The proposed NCZ options allocation within Table 1 is split evenly amongst the existing NCZ option exercise prices of the current capital structure of the Company, as shown in Table 2:

Table 1: Detailed breakdown of proposed options allocation and revised NCZ capital structure

	Current NCZ Capital Structure	Proposed Century Bull Equity Allocation	Revised NCZ Capital Structure	
Option Pricing	Project Interest 70%	Project Interest 30%	Project Interest 100%	Century Bull %
\$0.25	52.0M	22.0M	74.0M	29.7%
\$0.50	13.5M	6.0M	19.5M	30.8%
\$0.75	7.5M	3.5M	11.0M	31.8%
\$1.00	7.5M	3.5M	11.0M	31.8%
NCZ Options	80.5M	35.0M	115.5M	30.3%

The average exercise price of the proposed 115,500,000 options on issue (post transaction completion) is \$0.41/share, representing an additional \$47.5M in additional cash for the Company should all options be exercised.

Pending approvals, all other requirements associated with the current earn-in agreement between New Century and Century Bull (see ASX announcement dated 19 July 2017) will be extinguished as part of the proposed transaction. This includes the current contractual requirement for New Century to commit A\$10,000,000 in project development expenditure to earn the initial 70% interest in CMRP.

In accordance with Listing Rules 7.1, 10.1 and 10.11 and section 611 item 7 of the Corporations Act, the proposed transaction requires New Century shareholder approval, with the Notice of Meeting to contain an independent expert report. Notice materials will be circulated as soon as possible.

About Century Bull Pty Ltd

Century Bull is a privately owned Australian resources company associated with the Raging Bull Group of entities. The Company was formed to undertake the economic rehabilitation of the Century Zinc Mine, initially via the restarting of operations at the site and reprocessing of significant remnant mineralisation contained within the existing tailings dam.

Century Bull, via its subsidiary CMRP, acquired the Century Zinc Mine from MMG Limited (ASX: MMG) in early 2017 and subsequently entered into an earn-in agreement with New Century for project development expenditure commitments that target bringing the Mine back into production in the near term.

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 the 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 Mineral Resources in excess of 2,600,000t zinc, 700,000t lead & 42.5Moz silver.

New Century acquired an initial 70% interest in the Mine in early 2017 and is currently undertaking a Restart Feasibility Study into the recommissioning of the existing Century Processing Plant via the initial treatment of tailings before examining its other primary ore sources.

In addition to the process plant, the Century Zinc Mine boasts world class infrastructure including a 700 person camp, private airport and sealed run way, mining fleet, grid power connection, 304km slurry pipeline and its own concentrate shipping port and transshipment vessel in Karumba.

Statement of JORC 2012 Compliant Resources

Deposit	Tonnes (Mt)	Grade			Contained Metal		
		Zinc (%)	Lead (%)	Silver (g/t)	Zinc (t)	Lead (t)	Silver (oz)
Century Tailings <i>Measured</i>	78.9	3.02	0.47	12.4	2,380,000	370,000	31,500,000
Silver King <i>Inferred</i>	2.7	6.90	12.5	120	186,000	337,500	10,500,000
East Fault Block <i>Inferred</i>	0.5	11.6	1.10	48.0	60,000	5,500	800,000
TOTAL	82.1	3.20	0.87	16.2	2,626,000	713,000	42,800,000

Competent Persons Statement

The information in this announcement that relates to Mineral Resources (as that term is defined in the JORC Code) in respect to the Century Tailings Deposit, Silver King Deposit and the East Fault Block Deposit was reported by the Company in its prospectus released to ASX on 20 June 2017 and ASX announcement released on 12 September 2017. The Company confirms that it is not aware of any new information or data that materially affects the Century Tailings Deposit, Silver King Deposit and the East Fault Block Deposit resource estimates, and that all material assumptions and technical parameters underpinning that estimate continue to apply and have not materially changed.

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