

## September 2021 Quarterly Activities Report: Strong Improvement in Recovery Performance and Record EBITDA from Century Operations

### Highlights

- Strong improvement in recovery performance with a quarterly average (excluding bypass) of 48.5% and 30-day average into October to date of ~52%
- Record quarterly EBITDA<sup>1</sup> performance of A\$31.5m and operational cashflow A\$21.7m
- Quarterly zinc production of 28.9kt (63.6Mlb) at C1 costs of US\$0.89/lb payable zinc, with solid quarterly performance interrupted by a period of ball mill bypass in September
- Continued industry leading safety record – TRIFR 2.6 vs industry average 7.5
- Continued reduction in overall debt position, with almost complete retirement of offtake prepayments via A\$14.8m repayments during the quarter
- Continued improvement in the macroeconomic environment with zinc price approaching near record in the December quarter and treatment charges remaining low
- Attractive economics from Silver King and East Fault Block In-situ Feasibility Study<sup>2</sup>:
  - Pre-tax NPV<sub>8</sub> A\$212M, IRR 102%, payback 2.2 years
  - Production of a new lead/silver product, with output averaging 33,000tpa lead, 972,000oz pa silver and zinc metal output to increase by an average of 22,000tpa
  - In-situ operation reduces Century wide C1 costs by US\$0.21/lb payable zinc (~25% reduction)
  - Targeting Final Investment Decision in Q1 CY2022 and first production in Q1 CY2023
  - Feasibility study metrics modelled at zinc prices ~39% lower than current prices

### At a Glance

Quarterly Performance	Sep Q 2021		12 months to Sep 2021	
Operating Performance	kt	Mlb	kt	Mlb
Zinc Production (total)	28.9	63.6	123.4	272.0
Zinc Production (payable)	24.0	52.9	102.2	225.3
Financial Performance	US\$/t	US\$/lb	US\$/t	US\$/lb
C1 Costs (payable, produced)	1,955	0.89	2,023	0.92
AISC (payable, produced)	2,375	1.08	2,421	1.10
Average Zinc Price (LME)	3,002	1.36	2,833	1.29
Earnings Performance	A\$ millions		A\$ millions	
Cash flow From Operations	21.7		59.9	
EBITDA <sup>1</sup>	31.5		92.4	

<sup>1</sup> Excluding hedge settlement gains and losses

<sup>2</sup> See ASX Announcement dated 14 September 2021 for further information on the In-situ Feasibility Study

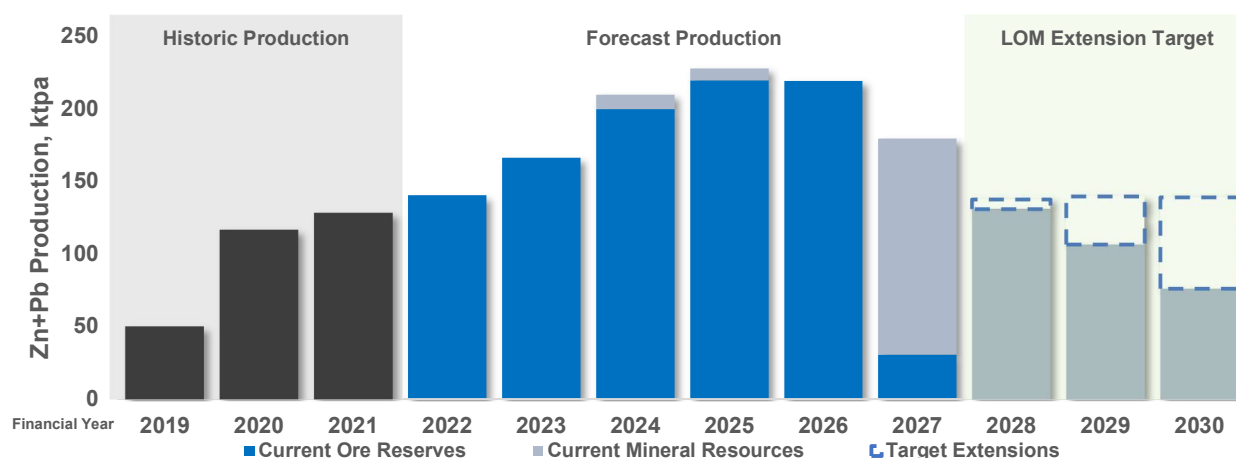
Commenting on the September quarter performance, Managing Director Patrick Walta said:

*“New Century has concluded a very productive quarter for the business, one which saw strong improvements in recovery performance despite a short-term ball mill bypass, along with record operational EBITDA and delivery of a robust feasibility study for Silver King and East Fault Block in-situ deposits.*

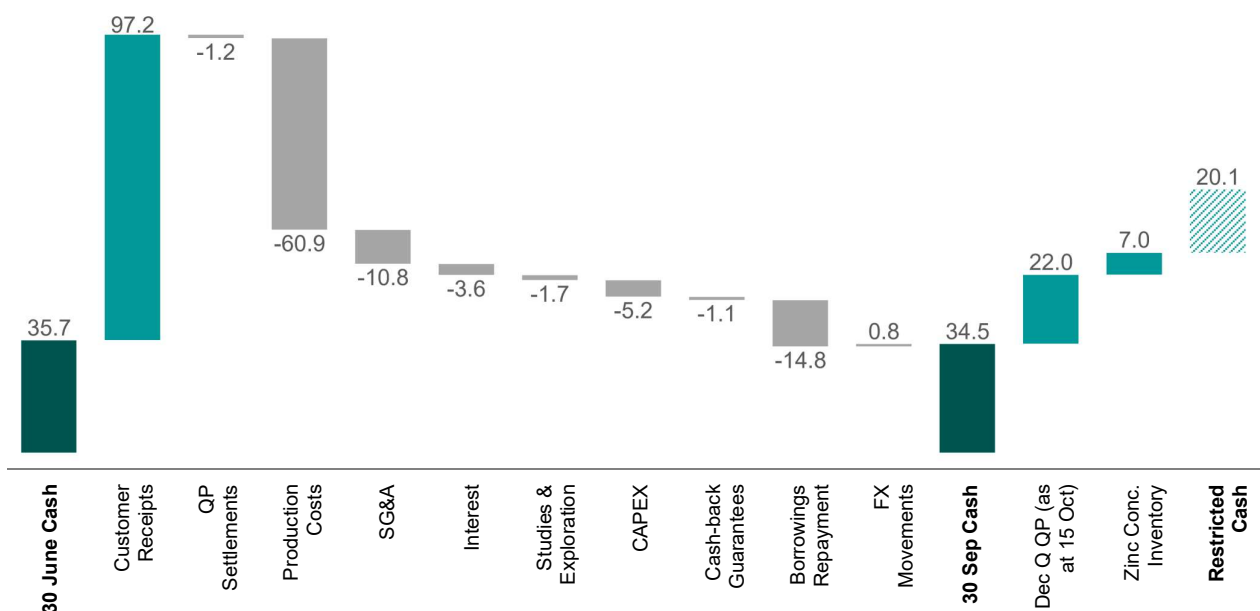
*Macro-economic conditions for zinc remain very strong, with the zinc price averaging US\$1.36/lb (US\$3,002/t) for the September quarter – up from US\$1.32/lb in the previous quarter - and rising further to US\$1.59/lb (US\$3,505/t) into October to date. This recent price increase provides the opportunity for a material uplift to the current record quarterly EBITDA of A\$31.5m to be achieved in the December quarter and beyond.*

*The Company also achieved an average treatment charge price of US\$136/t for the September quarter, its lowest since operations were restarted in late 2018. All concentrate production remains forward sold under long term frame contracts to the end of 2022.”*

## Century Reserves & Resources Profile



## Cash Management (A\$m)



## Sustainability

<b>2.6</b> Total recordable incident frequency rate (TRIFR)	<b>2</b> Recordable injuries over the quarter	<b>0</b> Reportable environmental incidents	<b>0</b> Covid-19 cases within New Century workforce
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### Safety

Over the last 15 months the total recordable injury frequency rate (**TRIFR**) at the Century Mine and Karumba Port has decreased from 3.9 (June 2020) to 2.6 (September 2021). This is well below the current industry average of 7.5<sup>3</sup>.

There were two lost time incidents at the Century Mine in the quarter. The Company is continuing its focus on strengthening safety culture and refining its Safety and Health Management Plan, with the goal of ensuring all our people go home safely and achieving a best-in-class TRIFR of zero.

### Environmental

There were no reportable environmental incidents at the mine or port operations during the quarter.

Progress continues to be made with rehabilitation works onsite, including additional exposure of native earth below the tailings dam, allowing rehabilitation flushing to continue in the coming wet seasons. Sections of the evaporation dam and other areas around site that have been ripped and seeded as part of their final rehabilitation are experiencing strong regrowth in line with expectations.

### Social

New Century continues strong engagement with the local communities that host our operations, and we continue to deliver initiatives that build on our relationships with our stakeholders, while responding to the unique and ongoing challenges presented by the COVID-19 pandemic.

New Century has maintained its record of no cases of COVID-19 on site or within the broader workforce. The Company continues to proactively minimise the potential for the introduction and transmission of COVID-19 to our operations and local communities.

Our community and social engagement activities during the quarter included:

- As part of the Company's ongoing Community Sponsorship Initiative, New Century awarded financial sponsorships to the Doomadgee Rodeo, Normanton and Karumba Athletics Club and Mornington Island's Jalaa Festival;
- Participated in the annual Normanton Careers Expo, where the Company continued to promote regional employment and training opportunities; and
- New Century invested approximately \$450,000 in training and development initiatives throughout the Gulf of Carpentaria, including funding for a student mentor at Cowboys House and supporting Indigenous language teaching programs in Normanton and Mornington Island.



**Figure 1: NCZ Head of Corporate Affairs and Social Responsibility, Shane Goodwin, with members of the Normanton and Karumba Athletics Club, recipients of a 2021 Community Sponsorship**

<sup>3</sup> As at 31 March 2021. Source: <https://www.data.qld.gov.au/dataset/quarterly-mines-and-quarries-safety-statistics-data/resource/60fc8acd-7e7c-48ac-808d-0c4dc3ca87e7>

## Century Operations

<b>2.12Mt</b> Tailings reprocessed and rehabilitated	<b>28.9kt</b> Zinc metal produced in concentrate	<b>337kOz</b> Silver metal produced in concentrate	<b>60.6kt</b> Concentrate produced for shipment
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### Hydraulic Mining (Tailings)

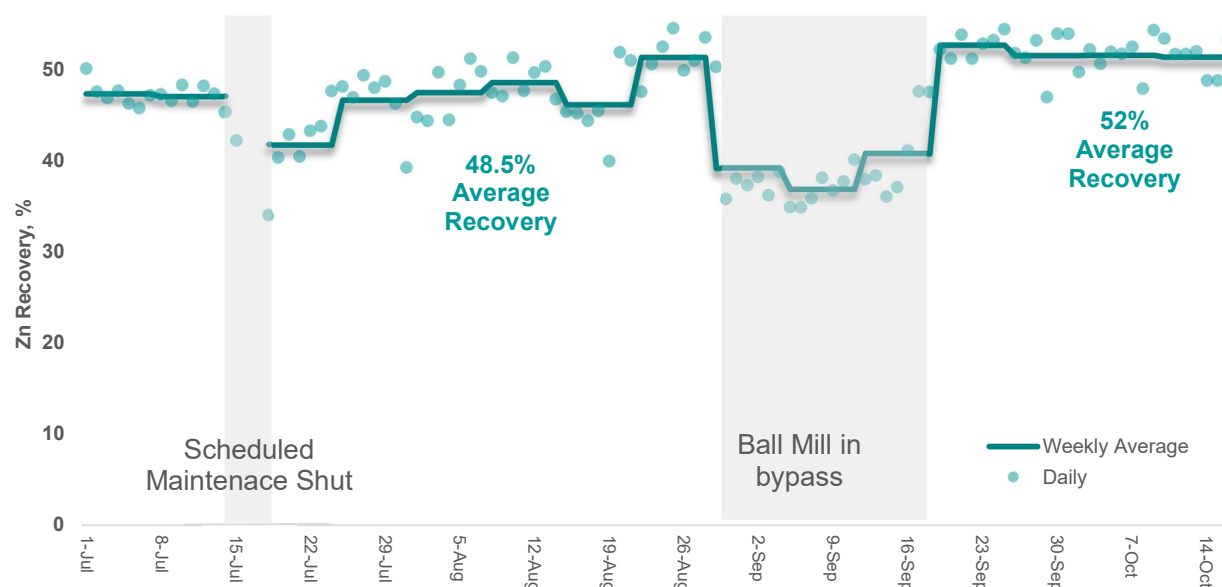
Hydraulic mining operations delivered 2.12Mt at 2.94% zinc in the September quarter, with overall tonnes affected by both a scheduled maintenance shutdown in July and a period of ball mill bypass in September.

During the quarter the Company completed commissioning of its remote slurry winning pontoon, providing an additional extraction point from the tailings facility located in the southern section of the dam.

### Processing & Production

September quarter production at Century Mine was 28.9k (63.6Mlbs) of zinc-in-concentrate at an average grade of 47.6%. The Company realised strong improvements in recovery performance within the plant, resulting from a focus on operational efficiency and continued optimisation of various unit processes within the plant, including advanced testwork around the Jameson Cell. Outside of a period of ball mill bypass (detailed below), processing performance averaged recoveries of 48.5% for the quarter, up from 46% in the June quarter. Ongoing plant trials recirculating a portion of the Cleaner 1 tailings back to the Ball Mill Sump have delivered positive results, with the trial to be extended to recirculate 500ktpa to 1Mtpa of Cleaner tailings over the coming quarters.

During the quarter, a period of operations required bypass of the ball mill due to an electrical failure in the ball mill motor. This impacted operations due to the lack of primary grind of the reclaimed tailings. This electrical motor failure was well in advance of the expected failure frequency (seven months into a two-year warranty and five-year expected life), coincident with the rotatable spare not having returned to site from routine refurbishment.



**Figure 2: Zinc recovery from Century tailings in the September quarter & into October (unreconciled)**

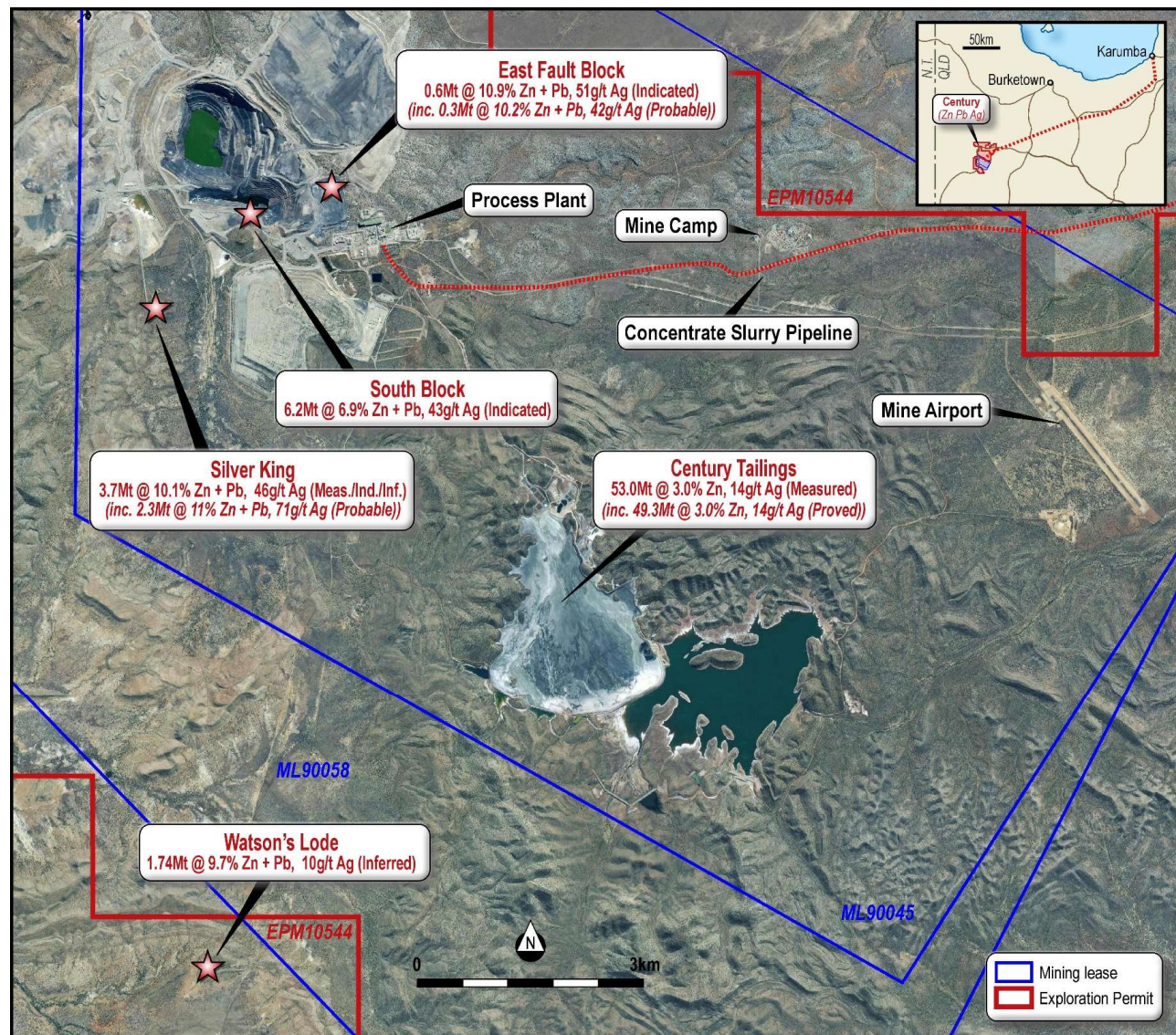
Operations have further improved into October and are currently achieving a 30-day average recovery of 52% (unreconciled), which is the longest period of >50% recovery since operations were restarted by New Century. The Company continues to focus on operational efficiency whilst maintaining recoveries above 50% and progressively increasing throughput.



## Century Life of Mine Extension

<b>2030+</b> Target mine life from identified resources	<b>A\$212M</b> Pre-tax NPV increase through addition of Silver King and EFB	<b>-US\$0.21/lb</b> Reduction in payable zinc C1 with in-situ (~25% reduction)	<b>Q1, 2023</b> Target first production of in-situ material
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Building on Century's foundation of tailings reprocessing to 2027, significant potential exists to incorporate the existing in-situ resource base into operations, increasing metal production and lowering overall costs.



**Figure 3: Century Deposit Overview**

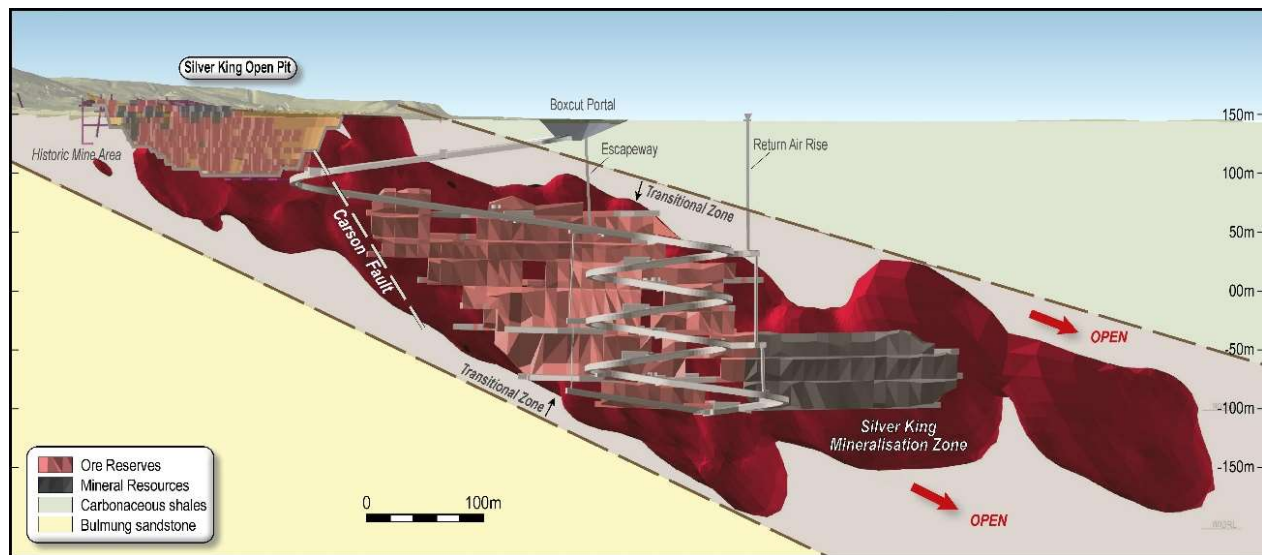
Beyond Silver King and East Fault Block, which were the focus of the In-Situ Feasibility Study released in September, the Company is progressing with investigating the potential to extend mine life beyond 2030 with the addition of the resources at South Block, Watson's Lode and other known deposits.

## In-Situ Feasibility Study – Silver King and East Fault Block

On 14 September 2021 the Company announced the results of the In-Situ Feasibility Study (**Study**), which investigated the incorporation of Silver King and East Fault Block in-situ deposits into the existing mine plan (in addition to the current tailings reprocessing) to produce zinc concentrate and a new lead concentrate.

The Study focused on development of a combination of underground and open pit operations, with ore processed concurrently with tailings in the existing processing plant. The target for first ore for the in-situ operations is Q1 CY2023. The initial mine development will focus on Silver King Underground, with Silver King Open Pit and East Fault Block Open Pit commencing development in later years.

An overview of the Silver King development, as well as a summary of the key outcomes of the Study has been provided below.



**Figure 4: Silver King Underground and Open Pit Overview**

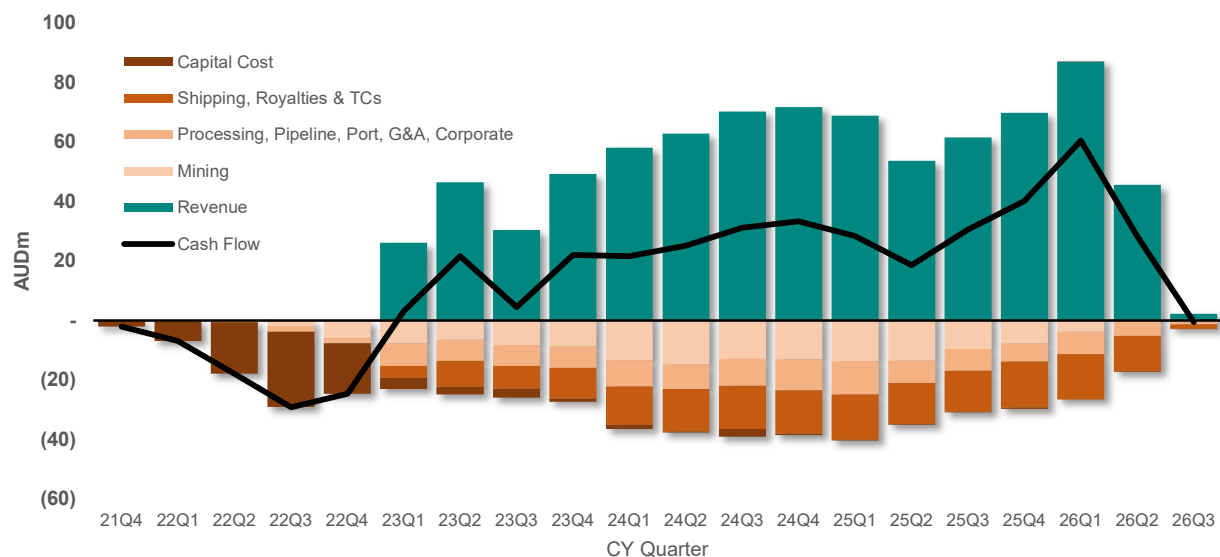
The focus of the next phase will be to commence front-end engineering design (FEED) work to optimise the processing plant construction and refurbishment, mining schedules and additional operational readiness activities to allow development of an executable plan to gain a final investment decision. Several options to optimise the capital profile will be investigated during the early works program.

Securing all required permits and approvals is estimated to take three to six months, with this process already well progressed. Subject to a Final Investment Decision, completion of a financing process and updated execution schedule (expected in Q1 CY2022), the Company is targeting ore processing to occur in Q1 CY2023.



**Table 1: In-situ Feasibility Study Outcomes**

Item	Units	LOM In-situ
<b>Operating Assumptions</b>		
Ore Mined	Mt	2.9
Zinc Recovered	kt	97.8
Lead Recovered	kt	128.9
Silver Recovered	koz	4,494
<b>Economic Assumptions</b>		
Zinc Price	US\$/t	2,535
Lead Price	US\$/t	2,205
Silver Price	US\$/oz	25
Exchange Rate	US\$:A\$	0.70
<b>Project Cash Flow</b>		
Net Smelter Revenue	A\$m	709.3
EBITDA	A\$m	384.4
C1 Cost (incl. Lead & Silver Credits)	US\$/lb Zn	-0.49
All-in Sustaining Cost (AISC)	US\$/lb Zn	-0.24
Max Cash Draw (incl. working cap)	A\$m	83.5
Sustaining Costs & Rehabilitation	A\$m	14.3
Net Project Cash Flow (pre-tax)	A\$m	286.7
<b>Financial Metrics</b>		
Pre-tax NPV <sub>8</sub>	A\$m	<b>212.0</b>
Pre-tax IRR	%	<b>102%</b>
Pre-tax Payback Period	Yrs	<b>2.2</b>
NPV/Capex	-	<b>3.8</b>


**Figure 5: In-situ pre-tax cash flow profile**

## Resource Upgrade and Further Exploration Drilling

The Company has recently<sup>4</sup> completed four reverse circulation drill holes within historical IP targets located to the southwest of the original Silver King workings. All four holes targeted the down dip extent of mineralisation historically mined at surface. Additionally, following a review of historical IP targets around the Silver King deposit, exploration drilling has confirmed the occurrence of prospective mineralisation within the previously untested Vein No.4, 200m north-west of the main lode.

As announced during the quarter, New Century has expanded its exploration activities on its tenements surrounding the Century operations including at Silver King and Watson's Lode. The next programs will involve:

- expanded 3D-IP geophysical survey over selected areas near each deposit;
- at **Silver King**, a further ~5,000m of exploration drilling to better define newly identified shallow mineralisation and potential expansion of the No.4 Vein along strike (all of which is outside the Mineral Resource contemplated in the Study); and
- at **Watson's Lode**, a further ~4,000m exploration drilling program to expand the new resource along strike, in addition to testing IP chargeability anomalies near the deposit.

## Expansion Potential: South Block, Watson's Lode and Silver King

A Prefeasibility Study was carried out in 2019<sup>5</sup> for the inclusion of South Block (as well as East Fault Block and Silver King) into the overall operations. The study highlighted the potential to improve the economics of mining South Block through optimisation of the mining method to reduce the overall strip ratio.

A significant amount of past exploration at Watson's Lode including over 20,000m of drilling, multiple IP surveys and geochemical soil sampling has been reported. These results, with full collation and review of historic IP data over the prospect have supported the estimation of a maiden Inferred Mineral Resource.

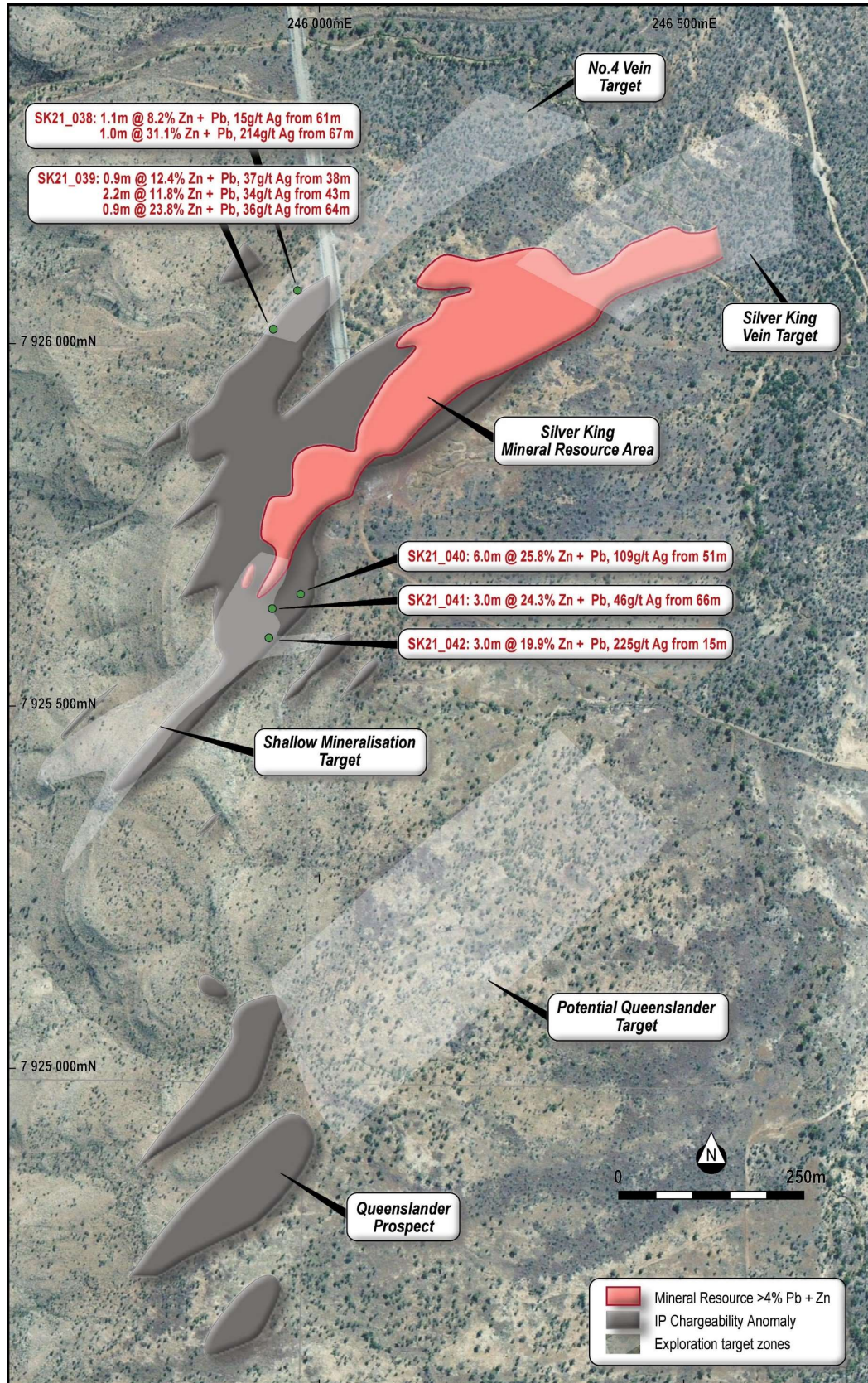
The combination of South Block and Watson's Lode has the potential to add 7.9Mt of Mineral Resources, containing 469kt of zinc, 128kt of lead and 9.2MOz of silver to the life of resource. These resources, combined with the inclusion of the potential additional Silver King resource, provide the potential to extend mine life beyond the existing tailings only operations at Century.

A scoping level study is planned for H1 CY2022 to determine the most economic mining method of South Block for inclusion in the life of mine plan. Further resource drilling is planned for Watson's Lode to increase the confidence in the deposit and form the basis of a scoping study over that resource. These studies will provide estimates for the likely timing and method to develop these resources.

<sup>4</sup> See ASX Announcement dated 02 September 2021 for further details on the Silver King drilling and proposed exploration program

<sup>5</sup> See ASX Announcement dated 25 June 2019 for further details on the Expansion Prefeasibility Study results





**Figure 6: Location of newly identified shallow mineralisation surrounding Silver King overlaid with 10ms (10 mV/V) IP-chargeability shell for future drill targeting**

## Corporate

### Secured Debt & Offtake Prepayment Management

The Company currently maintains an existing senior secured debt facility with Vardë Partners, which has progressively reduced from US\$70m in January 2020 to US\$28.9m as of 30 September 2021. The facility is scheduled for complete repayment by July 2022.

As part of the recently announced material strategic transaction, the Company intends on fully repaying the remaining portion of the Vardë senior debt facility. Further details will be released in an accompanying announcement.

New Century has maintained an unsecured rolling offtake prepayment facility since the start of operations, which is standard for large-scale base metal operations of this nature. This facility has been progressively reduced over the last 12 months, with the Company making a further significant reduction of A\$14.8m in the September quarter, to now have only A\$3.5m outstanding.

### Hedging Program

In June 2021, New Century executed its first major, long term, unsecured zinc hedging transaction with Macquarie Bank for production from the Century Zinc Mine.

The Company executed fixed price, Australian dollar swaps for a total of 90,000t of payable zinc, spread in equal monthly volumes of 2,500t of metal over three years from 1 July 2021 to 30 June 2024. The weighted average price achieved, net of all fees and costs, was A\$3,717/t.

The swaps are unsecured, without margin calls and can be closed-out by the Company at any time.

New Century continues to evaluate the opportunity for further hedging over zinc production and intends on extending its zinc hedging program as part of the recently announced strategic transaction. Further details will be released in an accompanying announcement.

### Century Environmental Bond Management

The current Estimated Rehabilitation Costs (**ERC**) bond for the Century mine is A\$183.9 million, of which A\$179.1 million is currently backed through bonding from MMG Limited (**MMG**) and A\$4.9 million cash-backed bonding from New Century.

New Century continues to deliver progressive rehabilitation for the site during its current tailings reprocessing operations, with the total ERC determinations having already reduced by ~23% (from A\$239.3 million) since Century was acquired in 2017.

As part of the commercial agreement with MMG, New Century is required to allocate 40% of its EBITDA generated from Century operations toward the cash backing of this guarantee, enabling MMG to remove a proportionate amount of their bonding.

As part of the recently announced material strategic transaction, the Company intends on fully replacing the existing MMG bonding for the ERC with a traditional environmental bond that removes the requirement to allocate a portion of EBITDA toward cash backing of the guarantee. Further details will be released in an accompanying announcement.

### Gas Supply Agreement

During the quarter, New Century entered into a new gas supply agreement with Senex Energy Limited for the provision of ~7 PJ of natural gas over three years. Natural gas is to be supplied by Senex to New Century at the Diamantina Power Station in Mount Isa, generating the power required to operation of the Century Mine. The Diamantina Power Station is owned and operated by APA Group.

Under the three-year agreement (starting January 2022), Senex will provide the ~7 PJs of natural gas at a fixed price (market rates) and also supply a further ~1 PJ at New Century's election, to support production expansion associated with the development of Silver King and other in-situ deposits.

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

**Further Information:**

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## Appendix 1 – Production, Sales & Cost Data

### Production & Sales

	Unit	Sep Q 2021	12 Months to Sep 2021
<b>Ore</b>			
<i>Ore Mined &amp; Processed</i>	<i>kt</i>	2,116	9,205
<b>Processing Feed Grade</b>			
<i>Zinc</i>	<i>%</i>	2.94	2.95
<i>Silver</i>	<i>g/t</i>	14.8	14.0
<b>Recovery</b>			
<i>Zinc</i>	<i>%</i>	46.5	45.5
<i>Silver</i>	<i>%</i>	33.4	31.04
<b>Zinc Concentrate</b>			
<i>Production</i>	<i>kt</i>	60.6	258
<i>Zinc Grade</i>	<i>%</i>	47.6	47.8
<i>Zinc</i>	<i>t</i>	28.9	123
<i>Silver</i>	<i>moz</i>	0.34	1.23
<b>Payable Metal Sold</b>			
<i>Zinc</i>	<i>kt</i>	26.7	102
<i>Silver</i>	<i>koz</i>	79.4	207

### C1 Costs & AISC (Produced)

	Unit	Sep Q 2021	12 Months to Sep 2021
<i>Mining</i>	<i>A\$m</i>	5.1	28.3
<i>Processing</i>	<i>A\$m</i>	27.9	111.3
<i>G&amp;A</i>	<i>A\$m</i>	10.2	37.9
<i>Port / Freight</i>	<i>A\$m</i>	13.0	43.1
<i>TCs</i>	<i>A\$m</i>	11.2	67.3
<i>Payable zinc metal produced</i>	<i>Mlbs</i>	52.9	225.3
<b>C1 Costs</b>	<b>A\$m</b>	<b>63.9</b>	<b>276.1</b>
<b>C1 Costs</b>	<b>A\$/lb</b>	<b>1.21</b>	<b>1.23</b>
<b>C1 Costs</b>	<b>US\$/lb</b>	<b>0.89</b>	<b>0.92</b>
<i>Royalties</i>	<i>A\$m</i>	6.2	22.9
<i>Corporate Overhead</i>	<i>A\$m</i>	7.1	28.9
<b>AISC</b>	<b>A\$m</b>	<b>77.7</b>	<b>329.3</b>
<b>AISC</b>	<b>A\$/lb</b>	<b>1.47</b>	<b>1.46</b>
<b>AISC</b>	<b>US\$/lb</b>	<b>1.08</b>	<b>1.10</b>



## Appendix 2 – Mineral Resources & Ore Reserves

### Century Ore Reserves as of 30 June 2021

	Mt	Zn (%)	Pb (%)	Ag (g/t)	Zn (kt)	Pb (kt)	Ag (Moz)
<b>Tailings (as of 30 June 2021)</b>							
Proved	49.3	3.1	-	13.8	1,473	-	22.0
Probable	-	-	-	-	-	-	-
<b>Total Tailings</b>	<b>49.3</b>	<b>3.1</b>	<b>-</b>	<b>13.8</b>	<b>1,473</b>	<b>-</b>	<b>22.0</b>
<b>Silver King: Underground (as of 30 June 2021)</b>							
Proved	-	-	-	-	-	-	-
Probable	1.7	4.7	6.9	83	78	114	4.5
<b>Total</b>	<b>1.7</b>	<b>4.7</b>	<b>6.9</b>	<b>83</b>	<b>78</b>	<b>114</b>	<b>4.5</b>
<b>Silver King: Open Pit (as of 30 June 2021)</b>							
Proved	-	-	-	-	-	-	-
Probable	0.3	5.1	5.1	42	13	13	0.4
<b>Total</b>	<b>0.3</b>	<b>5.1</b>	<b>5.1</b>	<b>42</b>	<b>13</b>	<b>13</b>	<b>0.4</b>
<b>East Fault Block (as of 30 June 2021)</b>							
Proved	-	-	-	-	-	-	-
Probable	0.6	8.5	0.9	36	49	5	0.7
<b>Total</b>	<b>0.6</b>	<b>8.5</b>	<b>0.9</b>	<b>36</b>	<b>49</b>	<b>5</b>	<b>0.7</b>
<b>Total In-Situ</b>	<b>2.5</b>	<b>5.6</b>	<b>5.3</b>	<b>68</b>	<b>140</b>	<b>133</b>	<b>5.4</b>

### Century Mineral Resources as of 30 June 2021

	Mt	Zn (%)	Pb (%)	Ag (g/t)	Zn (kt)	Pb (kt)	Ag (Moz)
<b>Tailings (as of 30 June 2021)</b>							
Measured	53.0	3	-	14	1,604	-	24.0
Indicated	-	-	-	-	-	-	-
Inferred	-	-	-	-	-	-	-
<b>Total Tailings</b>	<b>53.0</b>	<b>3</b>	<b>-</b>	<b>14</b>	<b>1,604</b>	<b>-</b>	<b>24.0</b>
<b>Silver King (as of 30 June 2021)</b>							
Measured	1.0	5.1	5.7	58	48	54	1.8
Indicated	2.1	5	5.2	44	106	111	3.0
Inferred	0.6	2.5	6	32	16	37	0.6
<b>Total</b>	<b>3.7</b>	<b>4.5</b>	<b>5.5</b>	<b>44</b>	<b>170</b>	<b>202</b>	<b>5.4</b>
<b>East Fault Block (as of 30 June 2021)</b>							
Measured	-	-	-	-	-	-	-
Indicated	0.6	9.8	1.1	51	63	7	1.1
Inferred	-	-	-	-	-	-	-
<b>Total</b>	<b>0.6</b>	<b>9.8</b>	<b>1.1</b>	<b>51</b>	<b>63</b>	<b>7</b>	<b>1.1</b>
<b>South Block (as of 30 June 2021)</b>							
Measured	-	-	-	-	-	-	-
Indicated	6.2	5.4	1.5	43	335	93	8.6
Inferred	-	-	-	-	-	-	-
<b>Total</b>	<b>6.2</b>	<b>5.4</b>	<b>1.5</b>	<b>43</b>	<b>335</b>	<b>93</b>	<b>8.6</b>
<b>Watson's Lode (as of 30 June 2021)</b>							
Measured	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-
Inferred	1.7	7.7	2	10	134	35	0.6
<b>Total</b>	<b>1.7</b>	<b>7.7</b>	<b>2</b>	<b>10</b>	<b>134</b>	<b>35</b>	<b>0.6</b>
<b>Total In-Situ</b>	<b>12.2</b>	<b>5.7</b>	<b>2.8</b>	<b>39</b>	<b>702</b>	<b>337</b>	<b>24.0</b>

### Competent Persons Statement – Exploration Targets and Exploration Results

The information in this announcement that relates to Exploration Targets and Exploration Results is based on information compiled by Damian O'Donohue, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Damian O'Donohue is a full-time employee of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves' 2012 Edition (**JORC Code**). Damian O'Donohue consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

### Competent Persons Statement – Mineral Resources

The information in this announcement that relates to Mineral Resources for:

- the Silver King deposit is extracted from a report titled 'Feasibility Study Demonstrates Compelling Value Proposition for In-situ Resource Development at Century' which was released to ASX on 15 September 2021 and is available to view at [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02421544-6A1050351?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02421544-6A1050351?access_token=83ff96335c2d45a094df02a206a39ff4);
- the South Block deposit is extracted from a report titled 'South Block Resource Provides Significant Potential for Century Mine Life Extension and Production Increase' which was released to the ASX on 15 January 2018 and is available to view at <https://www.asx.com.au/asxpdf/20180115/pdf/43qt931zzrmlbb.pdf>;
- the East Fault Block deposit is extracted from a report titled 'Century Expansion Study Incorporating In-Situ Resource Development Demonstrates Strong Value Add Potential' which was released to the ASX on 25 June 2019 and is available to view at <https://www.asx.com.au/asxpdf/20190625/pdf/446345qmbjpqjg.pdf>;
- the Watson's Lode deposit is extracted from a report titled 'Century Exploration, Watson's Lode Resource Definition and In-Situ Feasibility Study Update' which was released to the ASX on 25 June 2019 and is available to view at [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02416901-6A1048629?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02416901-6A1048629?access_token=83ff96335c2d45a094df02a206a39ff4); and
- the Century tailings deposit is extracted from a report titled 'New Century Achieves a Major Increase in Resource for the Century Tailings Deposit' which was released to the ASX on 12 September 2017 and is available to view at [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2995-01895018-6A850490?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2995-01895018-6A850490?access_token=83ff96335c2d45a094df02a206a39ff4). The Mineral Resource for the Century tailings deposit has been updated annually for mining depletion since original market announcement was released.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. 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.

### Competent Persons Statement – Ore Reserves

The information in this announcement that relates to the Ore Reserves at the Century Tailings, East Fault Block and Silver King deposits is extracted from a report titled 'Feasibility Study Demonstrates Compelling

Value Proposition for In-situ Resource Development at Century' which was released to ASX on 15 September 2021 and is available to view at [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02421544-6A1050351?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02421544-6A1050351?access_token=83ff96335c2d45a094df02a206a39ff4).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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 announcement.

### Appendix 3: Other Information

#### Tenement and Quarterly Reporting Information

The following information is pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2021:

Project	Location	Status	Interest
<b>Century Zinc Mine</b>	<b>Queensland, Australia</b>		
ML 90058	Mt Isa	Granted	100%
ML 90045	Mt Isa	Granted	100%
EPM 10544	Mt Isa	Granted	100%
EPM 26722	Mt Isa	Granted	100%

Payments to related parties of the entity and their associates (in accordance with Section 6 of Appendix 5B Quarterly Financial Report): Directors fees and salaries: \$185k.

#### Disclaimers

This report has been prepared by New Century. The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this release nor anything contained in it shall form the basis of any contract or commitment.

This report contains forward-looking statements that are subject to risk factors associated with exploring for, developing, mining, processing and the sale of zinc. Forward-looking statements include those containing such words as anticipate, estimates, forecasts, indicative, should, will, would, expects, plans or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, and which could cause actual results or trends to differ materially from those expressed in this report. Actual results may vary from the information in this report. The Company does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of such statements or assumptions. Investors are cautioned not to place undue reliance on such statements.

This report has been prepared by the Company based on information available to it, including information from third parties, and has not been independently verified. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained in this report.

The Company estimates its Ore Reserves and Mineral Resources in accordance with the JORC Code, which governs such disclosures by companies listed on the Australian Securities Exchange.

## Non-IFRS Measures

Throughout this report financial information is presented other than in accordance with accounting standards (non-IFRS financial information). As non-IFRS financial information does not have a standardised meaning prescribed by IFRS, they are not necessarily comparable to similar measures presented by other companies.

The Company publishes the following non-IFRS measures as they provide additional meaningful information to assist management, investors and analysts in understanding the financial results and assessing prospects for future performance. Accordingly, such non-IFRS measures are intended to provide additional information and should not be considered in isolation or in substitution of IFRS financial information.

- **C1 Costs** - Cash costs per pound of payable metal produced. It represents the net direct cash cost expressed in United States dollars incurred at each processing stage from mining through to recoverable metal delivered to market including treatment charges for zinc concentrate less net by-product credits and non-cash inventory adjustments. Corporate overheads and royalties are excluded.
- **AISC** - All-In Sustaining Costs per pound of payable metal produced. It represents all cash costs expressed in United States dollars incurred at each processing stage from mining through to recoverable metal delivered to market including smelter treatment charges for zinc concentrate less net by-product credits and non-cash inventory adjustments. Corporate overheads and royalties are included. Depreciation is excluded.
- **Net Sales Receipts** – Net Sales Receipts is calculated as sales receipts including realised quotational period adjustments under concentrate sales contracts less smelter treatment charges imposed under those contracts, freight and penalties.
- **Operating Costs** – Operating Costs is calculated as the cost of goods sold plus selling, general and administrative expenses and is expressed on a cash basis.
- **Operating Cash Margin** - Operating Cash Margin is calculated as the difference between Net Sales Receipts and Operating costs.
- **EBITDA** – Earnings Before Interest, Tax and Depreciation is calculated in accordance with industry norms and excludes hedge settlements



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

NEW CENTURY RESOURCES LIMITED

ABN

53 142 165 080

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	97,190	97,190
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production	(60,877)	(60,877)
	(d) staff costs	(9,539)	(9,539)
	(e) administration and corporate costs	(1,283)	(1,283)
	(f) realised gain/(loss) on quotational periods for sale contracts	(1,172)	(1,172)
1.3	Dividends received (see note 3)		
1.4	Interest received	14	14
1.5	Interest and other costs of finance paid	(2,660)	(2,660)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
<b>1.8</b>	<b>Net cash from / (used in) operating activities</b>	<b>21,673</b>	<b>21,673</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(5,194)	(5,194)
	(d) exploration & evaluation (if capitalised)	(1,678)	(1,678)
	(e) investments		
	(f) other non-current assets (cash-backed supplier guarantees)	(1,073)	(1,073)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(7,945)</b>	<b>(7,945)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (repayment/reduction of rolling offtake pre-payments)	(14,795)	(14,795)
3,10	Other (MMG Support Fees)	(920)	(920)
3.11	<b>Net cash from / (used in) financing activities</b>	<b>(15,715)</b>	<b>(15,715)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	35,697	35,697
4.2	Net cash from / (used in) operating activities (item 1.9 above)	21,673	21,673
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7,945)	(7,945)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(15,715)	(15,715)
4.5	Effect of movement in exchange rates on cash held	832	832
4.6	<b>Cash and cash equivalents at end of period</b>	<b>34,542</b>	<b>34,542</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	34,542	35,697
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>34,542</b>	<b>35,697</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

185

0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$US'000</b>	<b>Amount drawn at quarter end \$US'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	US\$29,104	US\$29,104
7.2 Credit standby arrangements		
7.3 Other – offtake pre-payment	US\$3,492	US\$3,492
7.4 <b>Total financing facilities</b>	<b>US\$32,596</b>	<b>US\$32,596</b>

## 7.5 Unused financing facilities available at quarter end

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Notes on 7.1 Loan facilities:

- US\$10.4 million (~A\$13.8 million), (next repayment November 2021, US\$10.4M)
- US\$18.6 million (~A\$24.7 million), (next repayment November 2021, US\$4.7M)
- Both facilities are secured.

Notes on 7.3 Other - offtake pre-payment:

- Offtake pre-payments are unsecured. The pre-payment balance (repayable in concentrate) is rolled in conjunction with continued concentrate sales between the parties. Adjustment in the pre-payment balance is by mutual agreement between the parties subject to market conditions.
- The pre-payment balance decreased by US\$14.8 million during the September quarter.

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.8)	21,673
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(1,678)
8.3 Total relevant receipts (outgoings) (Item 8.1 + Item 8.2)	19,995
8.4 Cash and cash equivalents at quarter end (Item 4.6)	34,542
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	34,542
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>N/A</b>

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?



N/A

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 October 2021

Authorised by: Board of New Century Resources Limited

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.