

18th May 2022



Corporate Details

Zenith Minerals Limited (ASX:ZNC)
ABN: 96 119 397 938

Issued Shares	343.9M
Unlisted options	14.3M
Mkt. Cap. (\$0.36)	A\$123M
Cash (31 st Mar 22)	A\$9.3M
Equities (31 st Mar 22)	A\$14.2M
Debt	Nil

Directors

David Ledger	Executive Chairman
Michael Clifford	Managing Director
Stan Macdonald	Non-Exec Director
Julian Goldsworthy	Non-Exec Director
Emma Scotney	Non-Exec Director
Nic Ong	Co Sec
Nick Bishop	CFO

Major Shareholders

Directors	3.4%
HSBC Custody Nom.	8.7%
Citicorp Nom	8.3%
BNP Paribas Nom	6.2%
EV Metals Group	2.9%

Our Vision

Zenith has a vision to maximise shareholder value through superior project generation and exploration activities.

Focus is on 100% owned Zenith projects, whilst partners progress multiple additional opportunities.

Contact Us

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COMMENCEMENT OF DRILLING AT WARATAH WELL LITHIUM PROJECT

The Board of Zenith Minerals Limited (ASX: ZNC) ("Zenith" or "the Company") is pleased to advise that drilling has recommenced at the Waratah Well lithium project in Western Australia. The project is part of the Zenith Lithium Joint Venture with EV Metals Group.

An initial phase of 7 wide-spaced (1km spacing) RC drill holes were completed at the Waratah Well project to test a zone (>3km x >2km) of outcropping lithium-tantalum rich pegmatite dykes

That initial drilling program confirmed the presence of widespread lithium bearing pegmatite dykes over a 4km zone, open to the north and east under soil cover (ASX Release 10-Mar-22). Individual holes intersected up to 21 cumulative metres of pegmatite, with individual pegmatites up to 11 metres in thickness.

Four holes, over a 4km long zone, intersected strongly anomalous lithium, with the two north-western most holes returning:

- ZWWRC004 - 12m @ 0.30%Li₂O
- ZWWRC002 - 8m @ 0.22% Li₂O
- Mineralisation is a mixture of the minerals holmquistite and trillithionite, not the target mineral, which is spodumene, but a confirmation of the presence of fertile lithium-caesium-tantalum (LCT) pegmatite dykes.

The area north and east of the lithium mineralised drill holes is soil covered with no outcrop (Figure 1). This area is now a priority for testing with four (4) fences of RC drill holes planned to test a further 2km x 1.5km area for pegmatites under the soil cover.

The program is anticipated to take 3 weeks to complete with assays some 4 – 6 weeks thereafter.

Zenith Minerals Executive Chairman David Ledger commented: *"it is extremely pleasing to see another drilling program running at Waratah Well to follow up the encouraging results that were delivered from the last campaign, undertaken in January of this year. This, coupled with the planned program to accelerate exploration activity at Split Rocks, demonstrates the continued commitment of our joint venture partner, EV Metals Group, to extensively explore across both our lithium projects pursuant to the agreement executed in January 2022. Additional permits are being finalised to run a more significant drill program across Split Rocks."*

Background on the Waratah Well Project

The Waratah Well Project is located approximately 20km northwest of the regional town of Yalgoo in the Murchison Region of Western Australia.

- Tantalum and locally lithium bearing pegmatite sills and dykes crop out over a 3km x 2km area with a range of dips from 60° to flat lying and thickness from 0.5m to 21m – refer to ASX Release 27-Apr-18, 30-Apr-20 and 3-Nov-21:
- Lithium rock chip sample grades up to 2.09% Li₂O in the north-western portion of the target area.

- At the north-eastern end of the pegmatite outcrop area 14 closely spaced stacked dykes occur where surface composite rock chip sampling has returned tantalum grades including 262, 299, 360, 366, 421 & 573 ppm Ta_2O_5 ; this zone is open ended to N, NE & SE where it runs under surface soil cover.
- A second area of dykes returned similarly high tantalum values such as 207, 250, 323, 518, 616, 1184 ppm Ta_2O_5 .
- A third zone of narrower dykes occurs in the northwest of the pegmatite belt but with very high grades of 708, 995, 1007, 1166 and 1221 ppm Ta_2O_5 .

The key lithium target is to drill for blind lithium spodumene mineralisation beneath the tantalum bearing dykes, a geological architecture similar to that noted at the Bald Hills lithium mine (formerly owned by ASX:TAW). A similar picture is also noted at Liontown's (ASX:LTR) Kathleen Valley lithium project whereby relatively narrow surface pegmatite dykes merge at depth to form a thick flat lying lithium spodumene rich sill (refer to ZNC ASX Release 24-Jan-22 for further details).

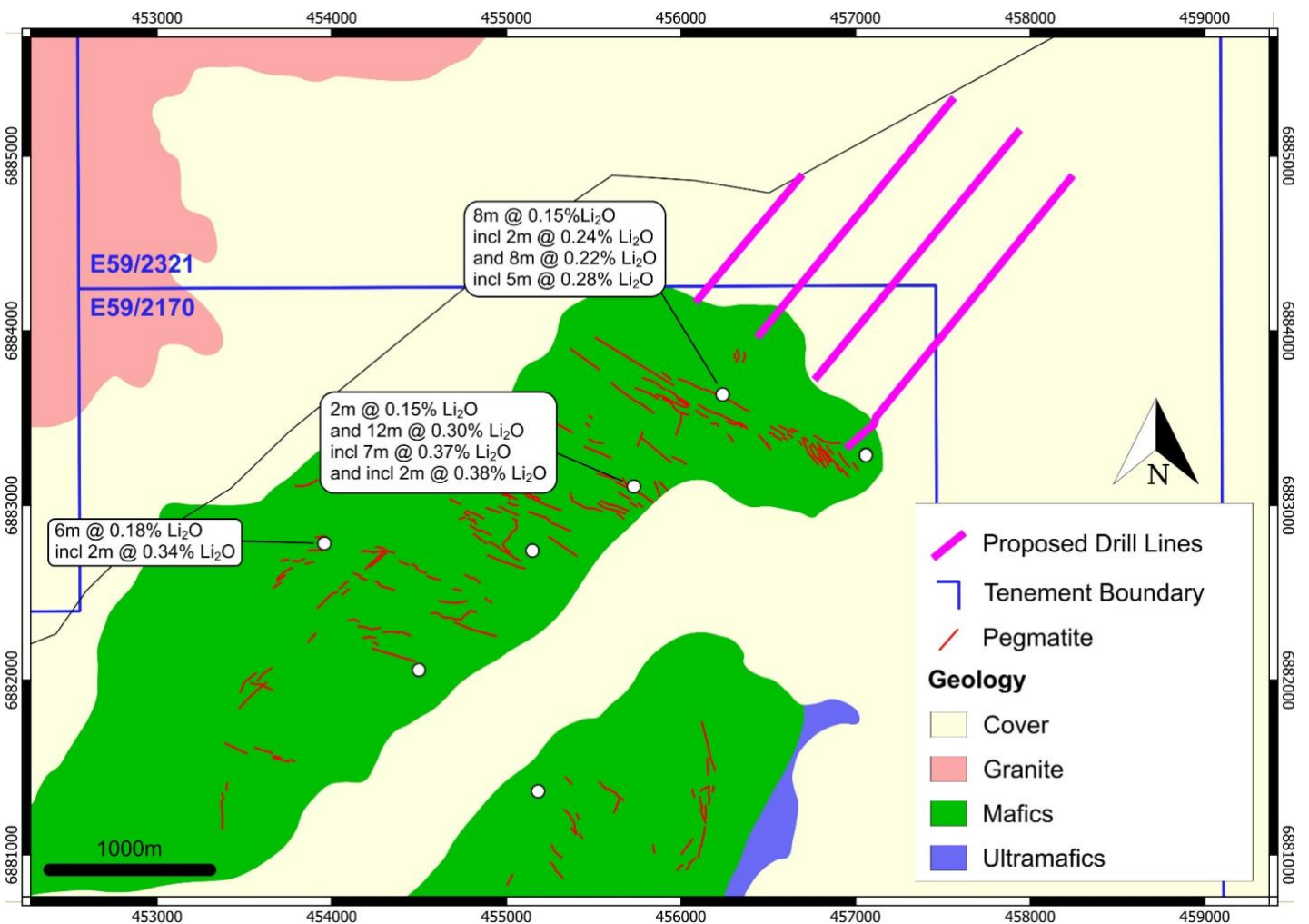


Figure 1: Waratah Well Lithium Target with Proposed Drill Lines (pink)

Zenith Lithium Joint Venture

Zenith is being developed as a pure lithium company to refocus on minerals containing lithium and related metals required for rechargeable lithium-ion batteries for electric vehicles and renewable energy storage ("Battery Minerals"), backed by a new alliance with the EV Metals Group (EVM), as detailed in ASX Release 14-Jan-22. Key commercial terms of the Zenith Lithium Joint Venture with EVM include:

- EVM may earn a 60% interest in the lithium rights in two initial 100% owned Zenith projects, namely Waratah Well and Split Rocks (Figure 2), by sole funding the completion of a feasibility study within 24 months, with Zenith retaining a 40% project share.

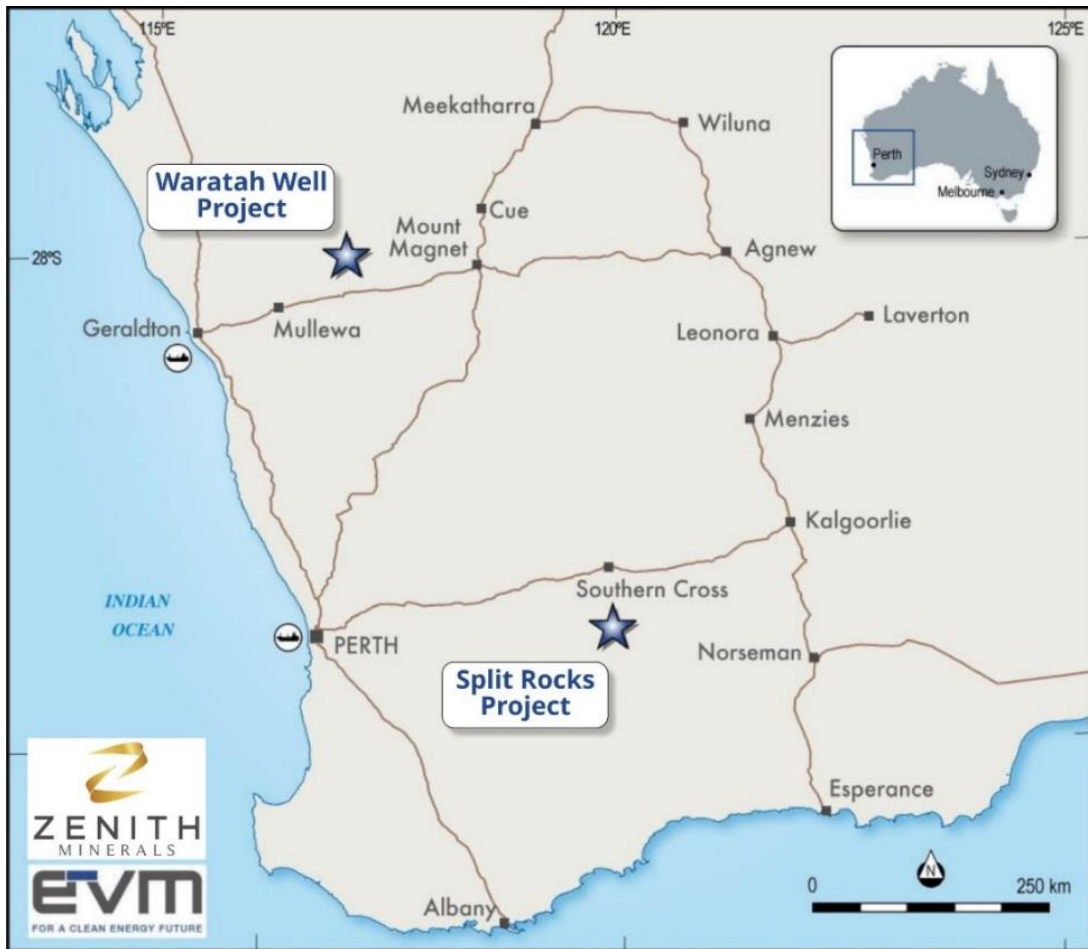


Figure 2: Zenith Lithium Joint Venture - Project Locations

- On and from completion of a feasibility study, Zenith and EVM will form a joint venture in respect of the project lithium rights. EVM will sole fund expenditure to a decision to mine, following which the parties will be required to fund future joint venture expenditure in accordance with their respective percentage shares.
- EVM must arrange all financing for the development, construction and commissioning of any future mine including Zenith's share. Zenith must repay its proportionate share of the project finance including interest from the sale of its proportionate share of minerals produced.
- EVM to spend a minimum of A\$7M on exploration on the projects, in 24 months, before being able to voluntarily withdraw provided that if EVM does not complete a feasibility study within 24 months it will be deemed to have withdrawn and will not earn an interest in the project lithium rights.
- The agreement includes a joint venture over Zenith's Split Rocks and Waratah Well projects in Western Australia, as well as a non-exclusive right to bring additional projects to the joint venture by either party, to explore for lithium/EV metals.
- In addition, EVM or its nominees subscribed for 20,000,000 ordinary ZNC shares @ \$0.30 cents per share (representing a premium of 20% above the then VWAP for ZNC shares for the preceding 10 Business Days) raising A\$6M (Placement), with funds applied to source new lithium opportunities, near term advancement of its gold and base metals portfolio and working capital (ASX Release 19-Jan-22).

Authorised for release by the Zenith Minerals Limited Board of Directors – 18th May 2022

For further information contact Zenith Minerals Limited:

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Zenith Minerals Limited (ASX:ZNC)

Zenith has a vision to maximise shareholder value through superior project generation and exploration activities.

Key Australian gold and base metal projects include:

Earaheedy

Zinc

**Western
Australia**

25% free carry to BFS

New major zinc discovery to be fast tracked with extensive accelerated exploration program underpinned by a recent \$40M capital raising by partner Rumble Resources Limited (ASX:RTR) (ASX Releases 28-Apr-21, 2-Jun-21, 8-Jun-21, 18-Oct-21, 13-Dec-21, 21-Dec-21, 31-Jan-22, 7-Feb-22, 21-Feb-22, 9-Mar-22).

Develin Creek

Copper - Zinc

Queensland

100% Owned

Inferred Mineral Resource 2.57Mt @ 1.76% Cu, 2.01% Zn, 0.24g/t Au & 9.6g/t Ag (ASX Release 15-Feb-15). Massive sulphides intersected at 2 new prospects Wilsons North & Snook.

Sulphide City (ASX Release 5-Jul-21).

34m @ 3.5% Cu+Zn
incl 10m @ 6.0% Cu+Zn

29m @ 3.5% Cu+Zn
incl 12.3m @ 6.7% Cu+Zn

Red Mountain

Gold

Queensland

100% Owned

Drilling is following-up the high-grade near surface gold and silver intersected in the maiden & subsequent drill programs (ASX Releases 3-Aug-20 & 13-Oct-20, 9-Nov-20, 21-Jan-21, 19-May-21).

Results incl:

13m @ 8.0 g/t Au
5m @ 10.4 g/t Au

15m @ 3.5 g/t Au
12m @ 4.9 g/t Au

Split Rocks

Gold

**Western
Australia**

100% Owned

Zenith drilling returned - high-grade near surface gold mineralisation at multiple targets (ASX Release 5-Aug-20, 2-Sep-20, 19-Oct-20, 28-Oct-20, 15-Jan-21, 11-Mar-21, 21-Apr-21, 24-Jun-21, 30-Sep-21, 18-Jan-22). Results include:

Dulcie North
Dulcie Laterite Pit

32m @ 9.4 g/t Au, incl 9m @ 31.4 g/t Au
2m @ 14.5 g/t Au
14m @ 3.5 g/t Au

16m @ 1.3 g/t Au
18m @ 2.0 g/t Au

Estrella
Dulcie Far North
Water Bore
Scotts Grey

2m @ 9.8 g/t Au
5m @ 5.6 g/t Au
3m @ 6.6 g/t Au
8m @ 4.1 g/t Au

3m @ 70 g/t Au
4m @ 4.8 g/t Au

Investments



43.9M shares in Bradda Head Holdings Limited (AIM)



3.88M shares in Rumble Resources Limited (ASX:RTR)



2.5M shares in American Rare Earths (ASX:ARR)



0.5M shares in Nickel-X Limited (ASX:NKL)