Zenith Minerals Limited
ABN 96 119 397 938

25th July 2016

Zenith Secures New Lithium Exploration Project near Mt Holland Lithium Discovery

- **New 100% owned exploration licence application at Split Rocks covers 22km of potential strike extensions to the new Mt Holland lithium project in the Forrestania Greenstone Belt as described in recent Kidman Resources Limited announcements;**
- **An ongoing review of previous exploration activity has to date found the majority of exploration focused solely on gold exploration despite the prevalence of mapped pegmatites in the belt;**
- **Zenith's geologists believe that the new application area is prospective for lithium and gold mineralisation; and**
- **Initial surface mapping and surface sampling to precede planned drill testing.**

Zenith Minerals Limited ("Zenith" or "the Company") is pleased to advise that it has secured a new 100% owned exploration licence application, Split Rocks in the Forrestania Greenstone Belt of Western Australia. The area was applied for in early March 2016 following the recognition by the Company that the region contained lithium enriched granites, and was subsequently replaced by a larger, expanded exploration licence application (204 sq km) following the announcement by Western Areas Limited (ASX quarterly report released 22nd April 2016) of lithium mineralisation in drilling at Mt Hope and South Ironcap in the Forrestania Belt, and Kidman Resources Limited's recent lithium announcements.

The Split Rocks licence is located 10km northwest of the new Earl Grey lithium pegmatite discovery announced by Kidman Resources Limited (ASX release 15th July 2016) where reported drill intercepts include: 52m @ 1.53% Li_2O and 45m @ 1.81% Li_2O. The licence is also located 5km north along the interpreted strike of the Van Uden-Tasman pegmatites identified by Kidman as high-priority lithium targets (Figure 1).

Compilation of historic exploration activity over the licence area is ongoing but to date the majority of previous exploration activity reviewed is surface sampling focused solely on gold exploration, with no evidence of any lithium analyses during past exploration programs, nor any significant bedrock drilling programs.

Zenith's geologists believe that the new application area is prospective for lithium as well as gold mineralisation. The Forrestania Greenstone Belt is intruded by abundant pegmatite dykes, many of which are now being shown to be lithium (spodumene) rich.

Following completion of the review of past exploration, initial surface mapping and sampling is planned prior to drill testing.

Corporate Details

ASX: ZNC

Issued Shares (ZNC)	172.9 m
Listed options (ZNCO)	22.1 m
Unlisted options	1.1 m
Mkt. Cap. ($0.10)	A$ 17.9m
Cash 31st Mar 16	A$1.9M
Debt	Nil

Directors

Michael Clifford:
Managing Director

Mike Joyce:
Non Exec Chairman

Stan Macdonald:
Non Exec Director

Julian Goldsworthy:
Non Exec Director

Major Shareholders

City Corp Nom	7.09%
HSBC Custody. Nom.	6.66%
Granich	6.12%
GDR PL.	4.27%
Miquilini	3.49%

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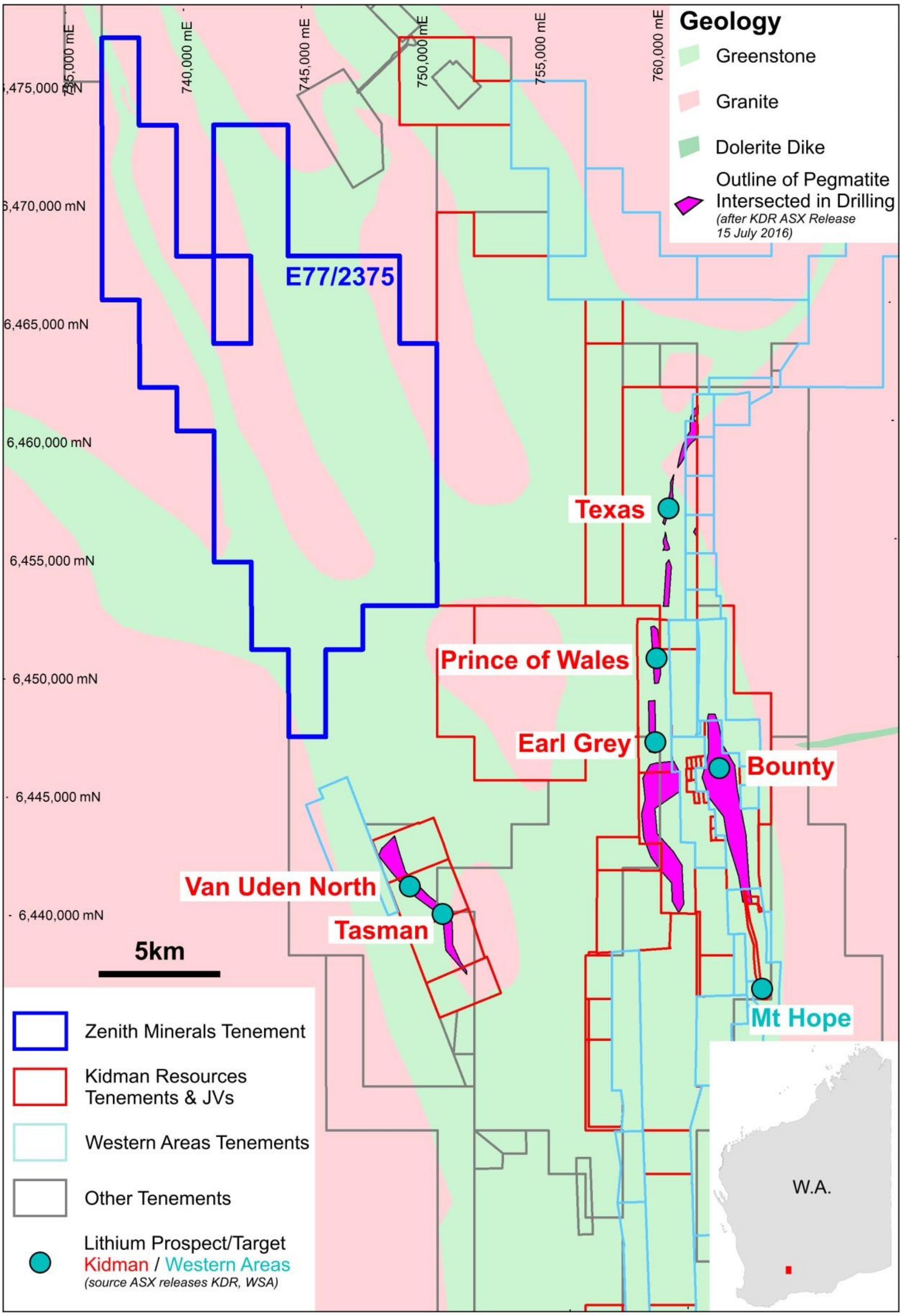

Figure 1: Split Rocks Project Lithium Targets and Tenure

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

25th July 2016

For further information contact:

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About Zenith

Zenith is advancing its project portfolio of high-quality, gold, lithium and base metal projects whilst building a superior project base of high-quality advanced exploration assets:

San Domingo Lithium, Arizona USA (ZNC 100%)

- 9km x 1.5km lithium pegmatite field, initial surface sampling returned: 5m @ 1.97%Li_2O including 2.4m @ 2.49% Li_2ORock
  - Surface sampling in progress

Kavaklitepe Gold Project, Turkey (Teck earning 70%)

- Recent (2013) grass roots gold discovery in Tethyan Belt
- Large, virtually drill-ready, high order gold soil / IP anomaly >1km strike
- Rock chip traverses to 54m @ 3.33g/t gold, including 21.5m @ 7.2 g/t gold
  - Drilling in progress

Develin Creek Copper-Zinc-Silver-Gold, QLD (ZNC initial 51%, option for 100%)

- 3 known VHMS massive sulphide deposits with JORC resources, 50km of strike of host volcanics
- 2011 drilling outside resource; 13.2 metres @ 3.3% copper, 4.0% zinc, 30g/t silver and 0.4g/t gold
  - Drilling to extend known deposits, geophysics, geochemistry to detect new targets

Mt Minnie Gold Project, WA (ZNC 100%)

- Major regional fault. Alteration, geochemistry, rock samples to 21.5 g/t Au
  - Drill testing planned 2016

Earaheedy Manganese Project, WA (ZNC 100%)

- New manganese province discovered by ZNC, potential DSO drill intersections (+40%Mn)

Mt Alexander Iron Ore, WA (ZNC 100%)

- JORC magnetite Resource 566 Mt @ 30.0% Fe close to West Pilbara coast, 50% of target untested.
  - Seeking development partner/ buyer for iron project

Other

- Evaluating new lithium project opportunities