

Attention
Shane Falconer
Adviser, Listing Compliance
ASX Limited
Level 40, Central Park,
152-158 St Georges Terrace,
PERTH WA 6000

By email to: ListingsCompliancePerth@asx.com.au

Dear Shane,

RE: RESPONSE TO ASX PRICE QUERY

Zenith Minerals (ASX:ZNC) (**Zenith, or the Company**) refers to your Price and Volume Query letter dated 9 November 2023 and provides the following responses:

1. No.
2. Not applicable.
3. The Company has recently presented at the IMARC conference in Sydney, which the Company considers was well received. In addition, Zenith notes that significant market interest is being shown by investors and corporates for advanced lithium projects in Western Australia, as evidenced by recent takeover activity and investments in lithium explorers by lithium miners, lithium chemical companies and battery manufactures. The Company currently has four lithium projects all located in Western Australia (Split Rocks, Waratah Well, Yilmia and Hayes Hill).

Split Rocks covers landholdings of approximately 600 km² in the Forrestania greenstone belt immediately north of the established Mt Holland lithium deposit. On the 28-Sep-2023 Zenith announced to the ASX a maiden Inferred Mineral Resource (JORC 2012) for the Rio Lithium Deposit at Split Rocks containing: 11.9Mt @ 0.72% Li₂O, 415ppm Cs, 75ppm Nb, 217ppm Sn and 59ppm Ta (0.5% Li₂O cut-off grade). Whilst, at Waratah Well drilling has confirmed the presence of high-grade lithium (ASX Release 24-Jan-23), including: 14m @ 1.0% Li₂O, incl 8m @ 1.5% Li₂O, 10m @ 1.4% Li₂O, incl 6m @ 2.0% Li₂O and 27m @ 0.8% Li₂O (true width 10m), incl 12m @ 1.2% Li₂O (true width 6m).

In January 2022, Zenith granted EV Metals Group (EVM) the exclusive right, but not the obligation, to earn a 60% project interest in the Split Rocks and Waratah Well projects, by sole funding the completion of a feasibility study before January 2024. Under the relevant agreement:

- The feasibility study must have a Mineral Resource of a minimum of 35Mt @ 1.2% Li₂O and be capable of producing 330,000 tonnes of spodumene concentrate with a grade of not less than 6%Li₂O for a minimum of a 10-year period: and
- If EVM fails to complete the feasibility study prior to 6 January 2024, then it will be deemed to have withdrawn from the earn-in and the agreement will terminate on 6 January 2024.

As far as Zenith is aware, the feasibility study has not yet commenced. Zenith does not believe that EVM will be able to complete the feasibility study within the earn-in period and is preparing to reassume full control of a 100% interest in the Split Rocks and Waratah Well lithium projects in early January 2024. Upon full control of these projects being regained, Zenith intends to update the market on its plans to advance these assets towards development and deliver enhanced value for its shareholders.

4. The Company confirms that it is compliant with the Listing Rules and, in particular, Listing Rule 3.1.
5. The Company confirms that its response has been authorised and approved by officers of the Company that have delegated authority from the Board to respond to ASX disclosure matters.

Additional Questions

6. Please advise whether any samples of the drilling exploration programme that the Company is currently undertaking (or has recently undertaken) have been sent to the laboratory? If yes, please provide the exact date on which the drill cores were sent to the laboratories.
 A: Yes, Yilmia lithium AC drill program.
 1,273 samples (of which 1,172 are AC 4m composite samples and 101 are QAQC controls) plus 97 bottom of hole 1m split samples were sent from Coolgardie via Kalgoorlie to Jinning lab in Maddington, Western Australia.
 - 592 AC 4m composite samples + QAQC samples dispatched to Jinning lab from Kalgoorlie on 27/9/2023
 - 681 AC 4m composites + QAQC samples dispatched to Jinning lab from Kalgoorlie on 9/10/2023
 - 97 AC 1m split bottom-of-hole samples (for multi-element analysis) dispatched to Jinning lab from Kalgoorlie on 11/10/2023
7. Please advise whether the Company is expecting any results from the laboratories in relation to its drilling programme and if yes, please advise when the results are expected to be provided to the Company. Please provide detailed information in relation to the timing of these results.
 A: As of 9/11/2023, ZNC has received 545 results from AC 4m composites, representing 47% of total samples dispatched to laboratory. 627 sample results are outstanding (53% of total). It is estimated that the remaining results will be received by 30th November, 2023. The 545 results received to date do not provide a clear picture on the prospectivity of the project. The Company confirms that these results remain confidential.
8. Please advise when the drilling was completed.

- A: Drilling completed on 5/10/2023.
9. Please advise what arrangements (if any) ZNC has in place to maintain confidentiality of its assay results? Please provide detailed information.
- A: All results are governed by a services agreement containing suitable confidentiality clauses between ZNC and the laboratory, in this case Jinning Pty Ltd. Sample submissions to the laboratory do not contain collar nor downhole depth data, so the laboratory cannot put assay results into context. Assay results are received progressively from drill programs to a secure e-mail provided to the Managing Director, Exploration Manager and Senior Geologist only. Once results from a full drill program are assessed in full geological context then will the Company make an ASX disclosure as required under Listing Rule 3.1.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Nicholas Ong', is positioned above the typed name and contact information.

Nicholas Ong
Company Secretary
P: +61 8 9226 1110
E: info@zenithminerals.com.au



9 November 2023

Reference: 84348

Mr Nicholas Ong
Company Secretary
Zenith Minerals Limited

By email: nicholas.ong@minervacorporate.com.au

Dear Mr Ong

Zenith Minerals Limited ('ZNC'): Price - Query

ASX refers to the following:

- A. The change in the price of ZNC's securities from a low of \$0.850 at commencement of trade on Thursday, 2 November 2023 to an intraday high of \$0.195 today, 9 November 2023.
- B. The significant increase in the volume of ZNC's securities traded from Thursday, 2 November 2023 to today, 9 November 2023.

Request for information

In light of this, ASX asks ZNC to respond separately to each of the following questions and requests for information:

1. Is ZNC aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is ZNC relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ZNC's securities would suggest to ASX that such information may have ceased to be confidential and therefore ZNC may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that ZNC may have for the recent trading in its securities?
4. Please confirm that ZNC is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that ZNC's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of ZNC with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11:45 AM AWST Thursday, 9 November 2023**. You should note that if the

information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ZNC's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ZNC to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ZNC's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ZNC's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ZNC's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that ZNC's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Shane Falconer
Adviser, Listings Compliance