

Plomosas – Production Update

Consolidated Zinc Limited (ASX: CZL; “Consolidated Zinc” or “the Company”) advises that production at the Plomosas Mine has been significantly disrupted by the cumulative effect of several incidents and scheduled plant upgrades during December, resulting in only 5 plant operating days so far this month.

Production interruptions included rising water levels in the mine restricting access to 2 high-grade stopes due to installation and operating issues with pumping equipment, a generator fire and third-party servicing issues with a different generator reducing power supply, and extended delivery times for parts and services.

Action is currently underway to investigate, mitigate or eliminate the causes of equipment damage and unavailability.

Investigations continue into the concentrate theft announced in an ASX release dated 22 November 2021 which has impacted sales.

Recently there has been evidence of increased clandestine activity in the region and, although there has been no direct impact on operations, steps have been taken to mitigate security risks for personnel and production.

When operating, the plant has shown improved recoveries and throughput following plant maintenance and upgrades. However, ore processed for the December quarter is expected to be approximately 40-45% that of the prior quarter.

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

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ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX: CZL) owns 100% of the historic Plomosas Mine, located 120km from Chihuahua City, Chihuahua State, Mexico. Chihuahua State has a strong mining sector with other large base and precious metal projects in operation within the state. Historical mining at Plomosas between 1945 and 1974 extracted over 2 million tonnes of ore grading 22% Zn+Pb and over 80g/t Ag. Only small-scale mining continued to the present day and the mineralised zones remain open at depth and along strike.

The Company has recommenced mining at Plomosas and is committed to exploit the potential of the high-grade Zinc, Lead and Silver Mineral Resource through the identification and exploration of new zones of mineralisation within and adjacent to the known mineralisation with a view to identify new mineral resources that are exploitable.

30 December 2021

Caution Regarding Forward Looking Statements and Forward-Looking Information:

This report contains forward looking statements and forward-looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of zinc and lead, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

Except as required by law or regulation (including the ASX Listing Rules), Consolidated Zinc undertakes no obligation to provide any additional or updated information whether because of new information, future events, or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.