CONSOLIDATED ZINC LTD

9 March 2017

New Zones of Mineralisation Identified and Resource Drilling Update

- **Work on-going along the Level 7 Drives has identified two additional mineralised zones named Tres Amigos North and Carola South**
    - **Significant assay results returned from Tres Amigos North (Carola South results are pending)**
    - **Both these areas are easily accessible from current levels for drilling**
- **Resource drilling has encountered significant results of 4.7m @ 11.60% Zn+Pb combined as part of the extensions to the JORC compliant resource**

Consolidated Zinc Limited (CZL:ASX; "Consolidated Zinc" or "the company") is pleased to present the following update outlining additional high grade zinc mineralisation identified in underground mapping and detailing drilling progress and assay results received at the Plomosas Project resource definition drilling program.

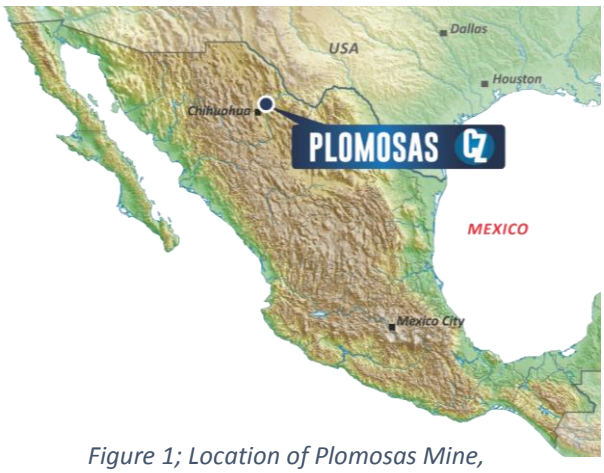

Figure 1; Location of Plomosas Mine, Chihuahua Mexico

ADDITIONAL MINERALISATION IDENTIFIED

Underground mapping and sampling along the Level 7 drives has outlined significant high grade mineralisation at Tres Amigos North and Carola South areas (Figure 2). These are immediately accessible from underground development on Levels 5 and 7 respectively and located outside the existing JORC (2012) Mineral Resource announced to the market on 15 December, 2016 (Table 3). Extensive mapping and sampling was undertaken of these areas and the presence of high grade mineralisation was confirmed as summarised in Table 1 for those sample assays returned to date.

Sampling was completed by continuous end-to-end one metre samples across the strike of mineralisation. In areas of smaller exposures, panel sampling was completed to reduce the amount of bias.

Assay results have initially returned from Tres Amigos North with significant results as shown in Table 1 with a complete list of samples for Tres Amigos North found in Appendix I. Results for the Carola South area are awaited.

The Tres Amigos North mineralisation occurs on the hanging wall contact to the Juarez Limestone and maybe an offset extension (faulted) of the Tres Amigos mineralisation identified by the Company in drilling during 2015-16.

Mineralisation in this area is hosted near the hanging wall contact to the Juarez Limestone and Cuesta Shale units and can also occur within the limestone itself, similar to the style drilled in Tres Amigos in Level 5 in 2016.

Table 1. Tres Amigos North assay results					
Sample No	**Rocktype**	**Zn+Pb Comb (%)**	**Zn (%)**	**Pb (%)**	**Ag (ppm)**
425998	Graphitic and carbonaceous shale with sulphides layers	24.83	19.25	5.58	23.2
425501	Limestone with sulphide patches	22.98	18.1	4.88	17.3
425979	Limestone? Patches of sulphides (Pb-Zn)	22.52	7.52	15	38
425973	Massive sulphides (Pb-Zn-Py).	22.51	16.65	5.86	29
425503	Massive sulphides	21.55	9.9	11.65	22.6
425505	Graphitic shales bedding 10% of thin bands sulphides	21.48	14.85	6.63	24.7
425966	Limestone with massive sulphides	21.4	10.4	11	37.9

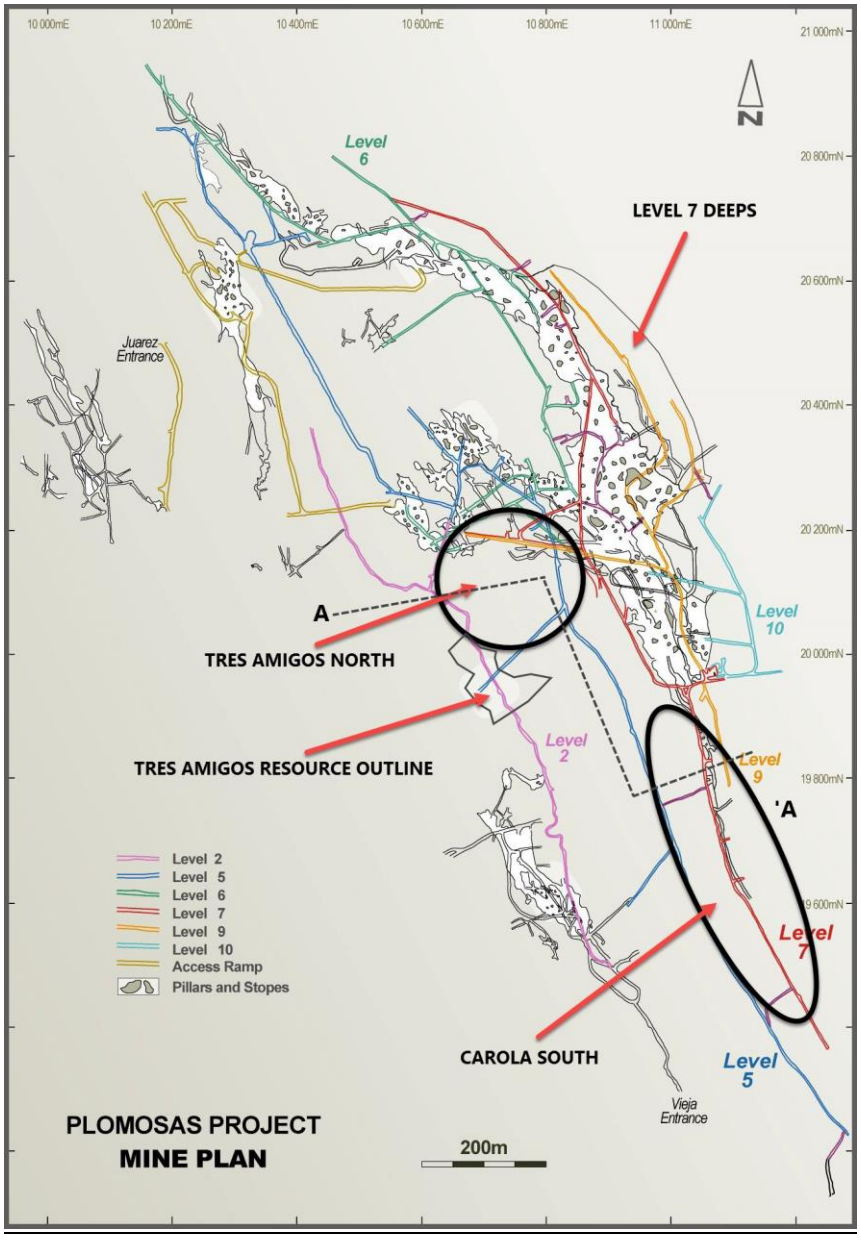

Figure 2. Zinc-lead mineralisation outlined and samples in the areas of Tres Amigos North and Carola South underground development. Section line A – 'A refers to Figure 4.

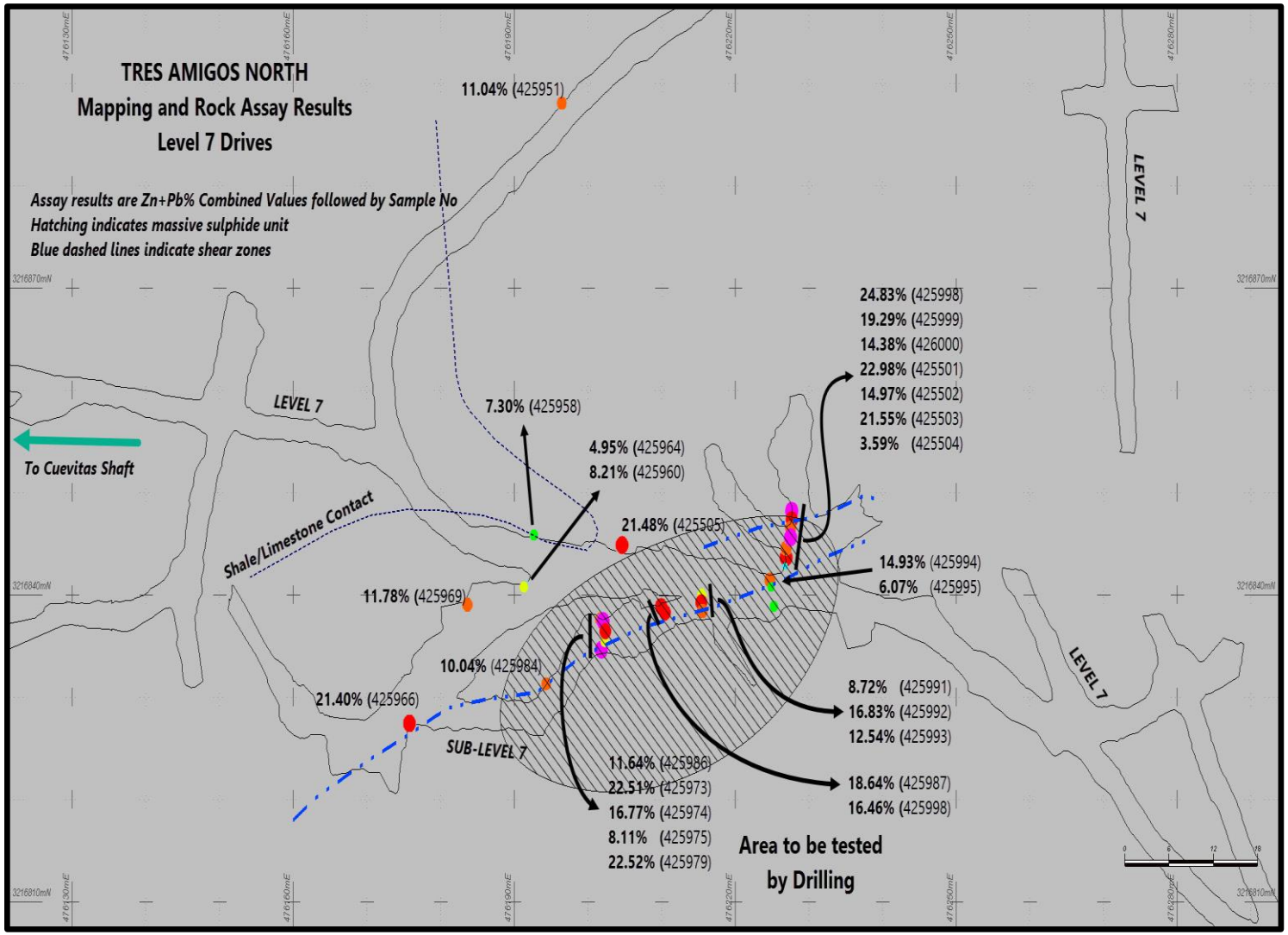

Figure 3; Location and assay results from the rock sampling program completed on Level 7 targeting the Tres Amigos North Area. Figure can be related to the assay result table located in Appendix I.

The area is structurally complex and appears to be the result of hanging wall shales deforming over the Juarez contact, creating dilatant zones that host high grade zones of mineralisation. Thicker zones (up to four metres) of lower grade mineralisation have been noted and are formed from mineralising fluids penetrating bedding planes of the hanging wall shale units. These are similar in style to the mineralisation encountered in drilling near the Mina Vieja Mine, about 500m to the south.

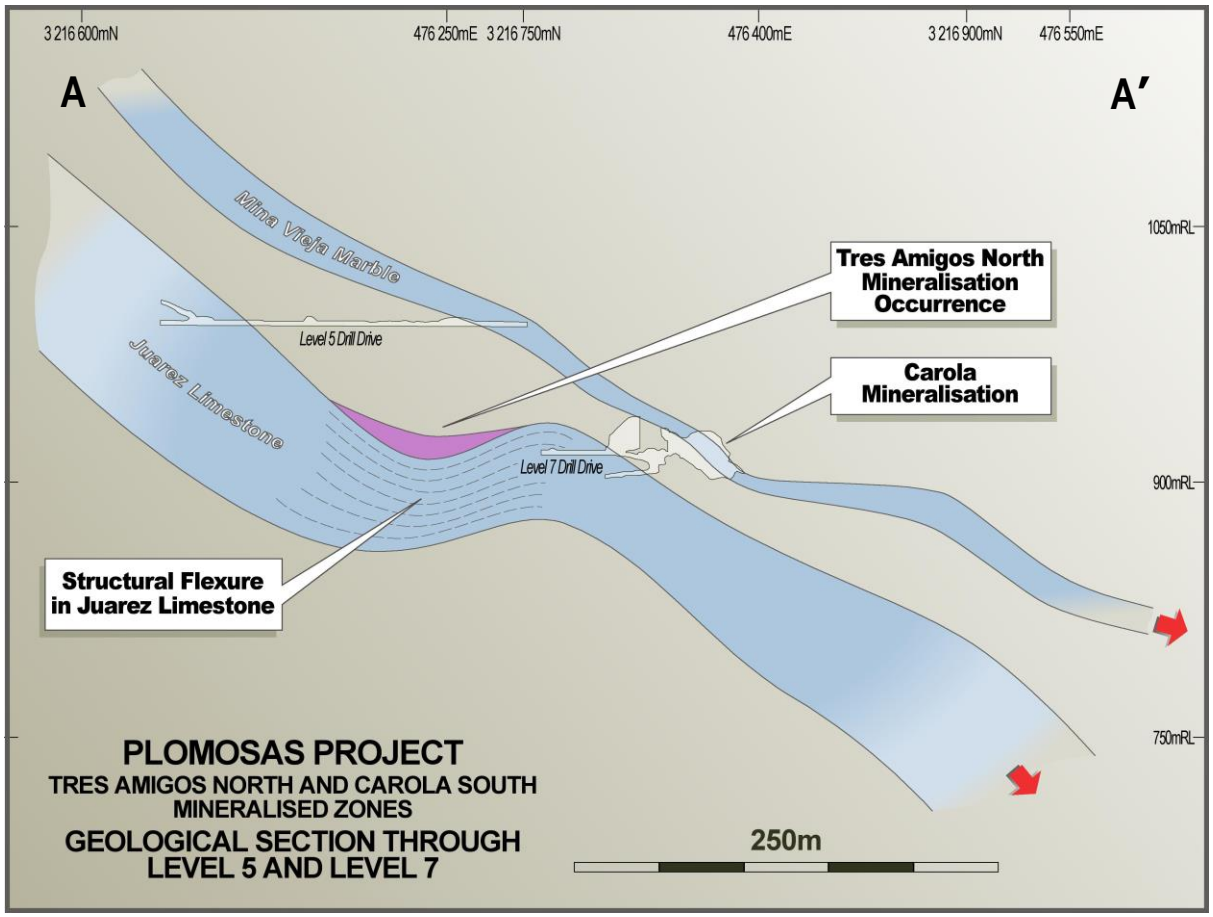

Figure 4; Schematic interpretation of the geology between Level 5 and Level 7 for Tres Amigos North and Carola South (refer to figure 2 for approximate section line trace).

Resource definition drilling had been planned to extend the resource estimated for this area and the results of the latest findings at Tres Amigos North will be incorporated into this program.

The Carola South mineralisation is an extension of the massive sulphides previously mined by Asarco. Only an exploration drive was developed to the south and mining from this drive was only done when mineralisation was encountered. This exploration drive was developed internal to the Mina Veija Manto, so the hanging wall and footwall contacts were not encountered inside this drive.

Mineralisation here has similar attributes to that of Level 7 Deeps, in that a mineralised mine sequence is recognised. Massive sulphides are noted to be oxidised in places and occur on the hanging wall to a leached marble, similar to that mapped at Level 7. Interestingly, there appears to be secondary copper staining in this area, associated with zinc and lead occurrences.

The total length of the non-continuous mineralisation that occurs in the Carola South area is around 500m.

Figure 5; Massive sulphide mineralisation in the Carola South area hosted in the Mina Vieja Manto (arrow length ca. 2 metres)

RESOURCE DEFINITION DRILLING UPDATE

Underground drilling continued in Level 8 from Cuddy 8.1 to test the southern extension of the Level 7 Resource mineralisation. North east trending faults interfered with that program and there was a brief hiatus as the rigs were moved to alternative positions.

Since the last update to the market, drillholes LV8018 to LV8019 were completed and assays returned for holes LV8010 to LV8014. Table 2 summarises the highlights encountered in drillholes reported above and details the assays returned and awaited. Table 4 provides additional hole details

Drilling aimed to extend the recently announced JORC (2012) compliant resource to the south where mineralisation may be displaced by NE trending faults. Several of the drillholes encountered a wide fault zone rendering identification of the mineralised extension difficult. Where drilling intersected

the mineralised sequence outside of the faulting, significant mineralisation was encountered, such as in the previously reported LV8006 and LV8008, while hole LV8014 and LV8019 returned:

• **LV8014**	**1.30m at**	**4.48% Zn,**	**1.66% Pb,**	**14.85 g/t Ag**	**from 83.25 mdh**
and:	**4.70m at**	**11.60% Zn**	**6.63% Pb**	**30.76 g/t Ag**	**from 99.80 mdh**
• **LV8019**	**3.95m at**	**3.78% Zn**	**0.11% Pb**	**1.20g/t Ag**	**from 163.65 mdh**

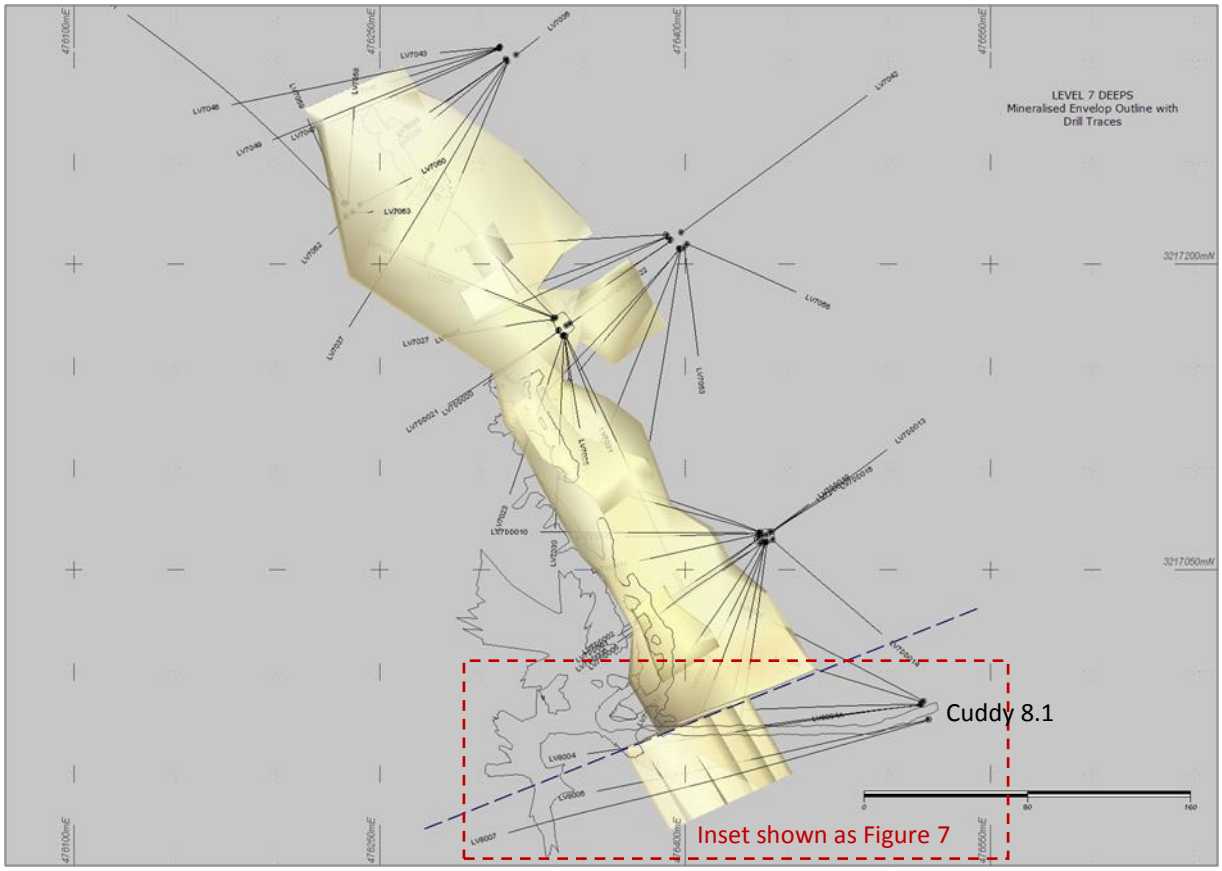

Figure 6; Plan of Level 7 Mineral Resource wireframed solid showing drillhole traces. Cuddy 8.1 on Level 8 is in the south of the image and the area outlined is presented in Figure 8.

Drilling to date continues to demonstrate that high grade mineralisation extends below Level 7 which, at approximately 240m below surface, was the deepest of the main ore workings developed at Plomosas. However, fault displacement has made drilling from Cuddy 8.1 difficult and further drilling will step back to test for mine displacements and what appears to be coincident magnetic highs reflective of the mine sequence and massive sulphide mineralisation.

Managing Director Will Dix commented: *"Drilling to the south of our modelled mineralisation continues to support the Company's view that significant base metal resources exist down dip and down plunge of the mine development. In addition, the recent identification of underground mineralisation at Tres Amigos North and Carola South provides encouragement that Consolidated Zinc will be able to add significant tonnes to the current Mineral Resource. Whilst our focus remains on moving the scoping study forward we will continue to pursue these areas and other targets to build our resource base. As well as this we will look at regional targets and aggressively pursue other opportunities as they are identified, be they within the current mine infrastructure or in new areas."*

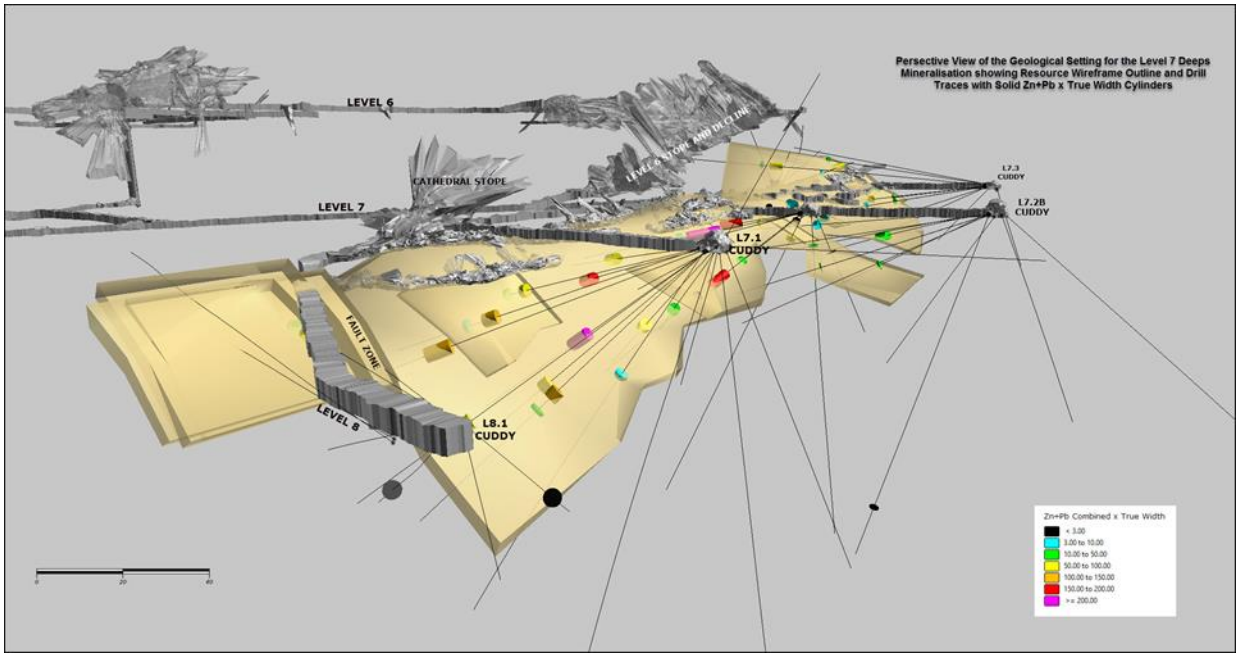

Figure 7; Oblique view looking NW, of Level 7 Deeps Mineral Resource wire framed solids showing drillhole traces and Cuddy 8.1.

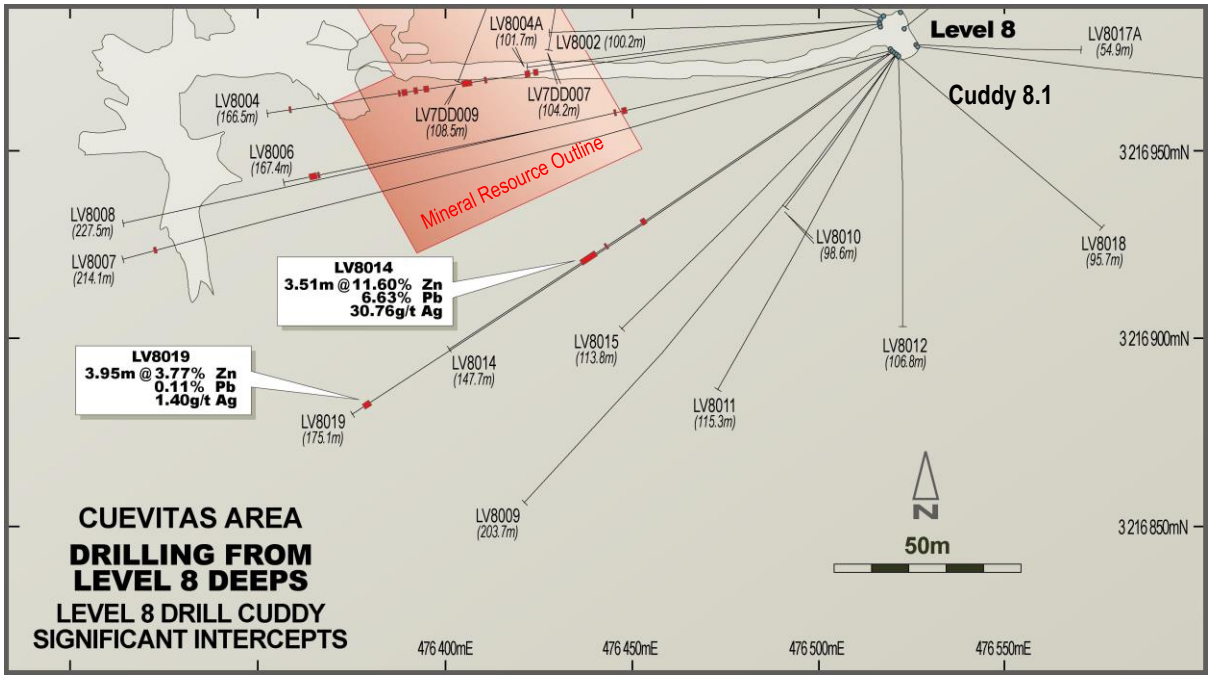

Figure 8; Plan view of Level 8 drill cuddy 8.1, showing drillhole traces and assay results for LV8014 and LV8019. Additional drilling is in progress to test for strike extensions to LV8014.

Table 2. Highlights of resource definition drilling results received								
Hole ID	**From (m)**	**To (m)**	**Inter (m)**	**TW* (m)**	**Zn %**	**Pb %**	**Ag g/t**	**Comment**
LV8010					NSI	NSI	NSI	
LV8011					NSI	NSI	NSI	
LV8012					NSI	NSI	NSI	
LV8013					NSI	NSI	NSI	
LV8014	83.25	84.55	1.3	0.98	4.48	1.66	14.85	Semi-massive and semi-oxide sulphides hosted within Mina Veija marble
	99.8	104.5	4.7	3.51	11.60	6.63	30.76	Semi-massive and semi-oxide sulphides hosted within Mina Veija marble towards the footwall zone
LV8015					NSI	NSI	NSI	
LV8016					NSI	NSI	NSI	
LV8017					NSI	NSI	NSI	
LV8018					NSI	NSI	NSI	
LV8019	163.65	167.6	3.95		3.78	0.11	1.20	Up dip extension of mineralisation, hole terminated in stope

ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX:CZL) is a minerals exploration company listed on the Australian Securities Exchange. The Company's major focus is in Mexico where it recently acquired 51% of the exciting high grade Plomosas Zinc Lead Silver Project through its majority owned subsidiary, Minera Latin American Zinc CV SAPI. 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's main focus is to identify and explore new zones of mineralisation within and adjacent to the known mineralisation at Plomosas with a view to identifying new mineral resources that are exploitable.

In December 2016, CZL announced the first mineral resource compliant with the JORC 2012 guidelines totalling 568,000 tonnes @ 16.9% Zn+Pb and 28.4 g/t Ag for 96,000t of contained Zn+Pb metal in both Indicated and Inferred categories (Table A).

Competent Persons' Statement

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Steve Boda BSc (Hons), MAIG, MGSA, MSEG and Andrew Richards BSc (Hons), Dip Ed, MAusIMM, MAIG, MSEG, GAICD. Messrs Boda and Richards are both Members of Australian

Institute of Geoscientists (AIG) and Mr Richards is also a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Both Messrs Boda and Richards have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Messrs Boda and Richards consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Robert Dennis who is a Member of the Australasian Institute of Geoscientists and Australian Institute of Mining and

Metallurgy. Mr Dennis is a full time employee of RungePincockMinarco Limited. Mr Dennis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dennis consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

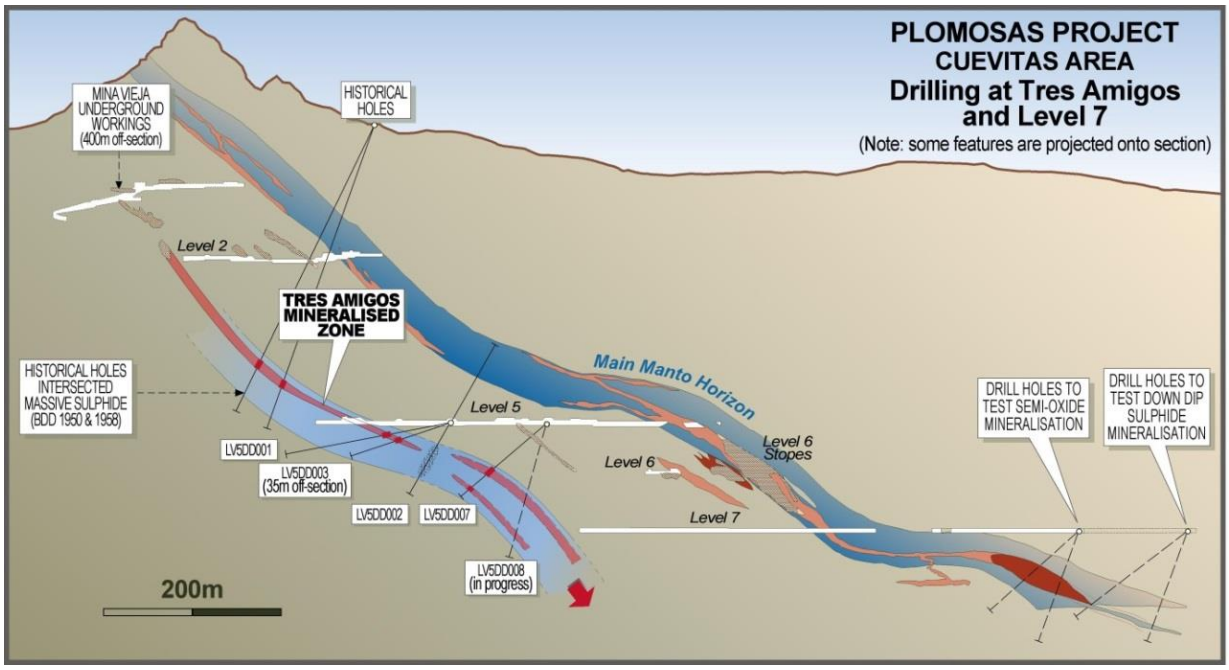

Figure 9; Section view of the Plomosas mine through Cuevitas area showing the Tres Amigos zone, historical drilling and the drilling planned for Mina Vieja Manto Horizon below Level 7.

Table 3; Plomosas Project Mineral Resource

December 2016 Mineral Resource Estimate (3% Zn Cut-off)

Prospect	Indicated Mineral Resource						
	Tonnage t	Zn %	Pb %	Ag g/t	Zn t	Pb t	Ag Oz
Level 7	99,000	19.3	9.0	57.9	19,000	9,000	183,000
Total	**99,000**	**19.3**	**9.0**	**57.9**	**19,000**	**9,000**	**183,000**

Prospect	Inferred Mineral Resource						
	Tonnage t	Zn %	Pb %	Ag g/t	Zn t	Pb t	Ag Oz
Level 7	220,000	11.0	5.2	32.0	24,000	11,000	226,000
Tres Amigos	250,000	11.3	1.7	13.7	28,000	4,000	110,000
Total	**470,000**	**11.2**	**3.4**	**22.2**	**52,000**	**16,000**	**335,000**

Prospect	Total Mineral Resource						
	Tonnage t	Zn %	Pb %	Ag g/t	Zn t	Pb t	Ag Oz
Level 7	318,000	13.6	6.4	40.0	43,000	20,000	409,000
Tres Amigos	250,000	11.3	1.7	13.7	28,000	4,000	110,000
Total	**568,000**	**12.6**	**4.3**	**28.4**	**71,000**	**25,000**	**519,000**

Note:

All Mineral Resources figures reported in the table above represent estimates at December, 2016. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

The Mineral Resource has been estimated in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Geoscientists and Minerals Council of Australia (The JORC Code 2012).

Table 4. Plomosas Drill hole details

HoleID	Easting WGS84	Northing WGS84	Elev (m)	Dip	Azimuth WGS	RC (m)	Diamond (m)	Total Depth (m)
Tres Amigos drilling								
LV8010	476521.090	3216975.650	912.40	-24.00	224.00	0.00	113.80	113.80
LV8011	476520.000	3216985.000	912.40	-38.00	30.00	0.00	142.45	142.45
LV8012	476522.900	3216977.900	912.40	-37.00	97.00	0.00	126.60	126.60
LV8013	476520.650	3216975.940	910.24	-59.40	214.96	0.00	98.60	98.60
LV8014	476520.650	3216975.570	910.82	-29.50	205.86	0.00	115.30	115.30
LV8015	476521.250	3216975.080	910.12	-47.60	177.96	0.00	106.75	106.75
LV8016	476523.720	3216983.360	910.97	-80.0	55.0	0.00	70.10	70.10
LV8017	476519.980	3216976.450	912.40	-18.00	235.00	0.00	147.70	147.70
LV8018	476519.41	3216976.73	911.37	-39.60	130.86	0.00	95.70	95.70
LV8019	476519.41	3216976.73	911.37	-5.50	234.06	0.00	175.10	175.10

APPENDIX I
ASSAY RESULTS FROM THE TRES AMIGOS NORTH ROCK CHIP CHANNEL SAMPLING

Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Target	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)
425951	476196.488	3216888.000	918.517	Channel	1.0	12/02/2017	7	TRN	Shale with massive sulphides band	11.04	5.580	5.460	19.90
425952	476190.952	3216883.854	918.430	Channel	1.0	12/02/2017	7	TRN	Shale bedding fine grained sulphides	0.16	0.106	0.050	2.60
425953	476192.322	3216881.691	918.136	Channel	1.0	12/02/2017	7	TRN	Shale graphitic with sulphide traces	0.12	0.070	0.050	2.70
425954	476180.629	3216876.731	918.510	Channel	1.0	12/02/2017	7	TRN	Shale graphitic disseminated Py	0.07	0.031	0.036	2.40
425955	476180.454	3216876.145	917.577	Channel	1.0	12/02/2017	7	TRN	Limestone scarce disseminated pyrite	0.03	0.017	0.008	1.30
425956	476181.291	3216873.083	918.472	Channel	1.0	12/02/2017	7	TRN	Shale graphitic disseminated Py	0.16	0.086	0.079	2.30
425957	476180.871	3216873.169	917.643	Channel	1.0	12/02/2017	7	TRN	Limestone massive not visible mineralisation	0.14	0.091	0.045	1.50
425958	476192.716	3216845.806	918.634	Channel	1.0	12/02/2017	7	TRN	Shale graphitic with bedding sulphides.	7.30	4.770	2.530	9.80
425959	476193.237	3216845.717	917.786	Channel	1.0	12/02/2017	7	TRN	Limestone massive not visible mineralisation	0.05	0.031	0.015	0.60
425960	476191.327	3216840.699	918.380	Channel	1.0	12/02/2017	7	TRN	Shale graphitic carbonated patches, sulphides bedding.	8.21	5.180	3.030	12.80
425964	476191.501	3216840.894	917.653	Channel	1.0	12/02/2017	7	TRN	Shale with sulphides bedding	4.95	3.770	1.180	8.00
425965	476184.762	3216832.220	916.749	Channel	1.0	12/02/2017	7	TRN	Shale graphitic with sulphides traces.	0.25	0.195	0.057	1.70
425966	476175.847	3216827.410	916.244	Channel	1.0	12/02/2017	7	TRN	Limestone with massive sulphides	21.40	10.400	11.000	37.90
425967	476175.788	3216827.151	915.376	Channel	1.0	12/02/2017	7	TRN	Limestone with massive sulphides	3.47	2.610	0.856	5.20
425968	476169.067	3216822.905	917.403	Channel	1.0	12/02/2017	7	TRN	Limestone disseminated pyrite and veins with sulphides traces	0.70	0.560	0.140	2.50
425969	476183.665	3216838.961	917.761	Channel	1.0	12/02/2017	7	TRN	Shale graphitic with bedding sulphides	11.78	6.530	5.250	16.00
425970	476185.469	3216826.782	915.209	Channel	1.0	12/02/2017	7	TRN	Limestone with sulphide patches	0.47	0.327	0.142	3.60
425971	476197.000	3216829.264	914.081	Channel	1.0	12/02/2017	7	TRN	Limestone with sulphide patches	0.48	0.367	0.109	3.00
425972	476196.096	3216829.720	914.496	Channel	1.0	12/02/2017	7	TRN	Limestone with sulphide patches	0.36	0.243	0.112	2.80
425973	476202.070	3216837.430	913.638	Channel	1.0	12/02/2017	7	TRN	Massive sulphides (Pb-Zn-Py).	22.51	16.650	5.860	29.00
425974	476202.369	3216836.448	914.026	Channel	1.0	12/02/2017	7	TRN	Massive sulphides (Pb-Zn-Py).	16.77	11.650	5.120	19.60
425975	476202.306	3216835.429	913.908	Channel	1.0	12/02/2017	7	TRN	Massive sulphides (Py-Pb-Zn).	8.11	7.280	0.825	6.90

Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Target	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)
425979	476201.904	3216834.623	913.708	Channel	1.0	12/02/2017	7	TRN	Limestone. Patches of sulphides (Pb-Zn)	22.52	7.520	15.000	38.00
425980	476195.822	3216830.600	914.601	Channel	0.8	12/02/2017	7	TRN	Limestone traces of mineralisation	0.17	0.103	0.069	5.10
425981	476195.508	3216831.342	914.532	Channel	0.9	12/02/2017	7	TRN	Limestone massive not visible mineralisation	0.29	0.169	0.118	1.20
425982	476194.802	3216831.937	914.104	Channel	0.7	12/02/2017	7	TRN	Limestone massive not visible mineralisation	0.07	0.047	0.022	1.10
425983	476194.629	3216831.866	913.471	Channel	0.7	12/02/2017	7	TRN	Limestone disseminated coarse grained pyrite	0.39	0.295	0.100	3.20
425984	476194.394	3216831.275	912.942	Channel	0.7	12/02/2017	7	TRN	Massive sulphides (Pb-Py-Zn)	10.04	8.670	1.370	8.50
425985	476200.323	3216833.273	913.089	Channel	1.0	12/02/2017	7	TRN	Limestone disseminated Py and traces of Zn-Pb	1.03	0.799	0.232	1.70
425986	476201.716	3216837.567	912.808	Channel	0.8	13/02/2017	7	TRN	Massive sulphides (Pb-Py-Zn)	11.64	6.510	5.130	19.10
425987	476209.994	3216838.864	913.018	Channel	0.8	13/02/2017	7	TRN	Carbonaceous shale bedding massive sulphides	18.64	7.040	11.600	30.60
425988	476210.480	3216838.236	913.258	Channel	0.7	13/02/2017	7	TRN	Carbonaceous shale bedding massive sulphides	16.46	11.150	5.310	22.20
425989	476210.244	3216837.383	913.241	Channel	0.8	13/02/2017	7	TRN	Stock of calcite-quartz veinlets.	0.95	0.481	0.473	1.80
425990	476209.336	3216835.929	912.768	Channel	1.0	13/02/2017	7	TRN	Stock of calcite-quartz veinlets.	0.63	0.397	0.229	1.70
425991	476215.491	3216839.957	912.472	Channel	0.7	13/02/2017	7	TRN	Massive sulphides layers	8.72	4.870	3.850	15.20
425992	476215.457	3216839.228	912.872	Channel	0.9	13/02/2017	7	TRN	Massive sulphides	16.83	11.800	5.030	21.80
425993	476215.552	3216838.390	913.155	Channel	0.8	13/02/2017	7	TRN	HW of massive sulphides	12.54	8.630	3.910	13.50
425994	476224.780	3216841.396	911.534	Channel	0.7	13/02/2017	7	TRN	Semi massive sulphides structure	14.93	10.750	4.180	21.30
425995	476224.927	3216840.761	911.959	Channel	0.8	13/02/2017	7	TRN	Limestone with sulphide patches	6.07	3.600	2.470	7.80
425996	476225.047	3216839.839	912.144	Channel	1.0	13/02/2017	7	TRN	Limestone	0.79	0.519	0.268	1.70
425997	476225.278	3216838.870	912.144	Channel	1.0	13/02/2017	7	TRN	Limestone with sulphide patches	7.38	4.790	2.590	7.30
425998	476227.732	3216848.184	910.363	Channel	1.0	13/02/2017	7	TRN	Graphitic and carbonaceous shale with sulphides layers	24.83	19.250	5.580	23.20
425999	476227.722	3216847.283	910.724	Channel	1.0	13/02/2017	7	TRN	Massive sulphides	19.29	11.400	7.890	14.80
426000	476227.520	3216846.493	911.199	Channel	1.0	13/02/2017	7	TRN	Carbonaceous shale with sulphide bands	14.38	9.410	4.970	11.50
425501	476227.551	3216845.580	911.581	Channel	1.0	13/02/2017	7	TRN	Limestone with sulphide patches	22.98	18.100	4.880	17.30

Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Target	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)
425502	476226.971	3216844.534	911.332	Channel	1.0	13/02/2017	7	TRN	Massive banded sulphides	14.97	13.650	1.315	11.00
425503	476226.966	3216843.582	911.264	Channel	1.0	13/02/2017	7	TRN	Massive sulphides	21.55	9.900	11.650	22.60
425504	476226.819	3216842.800	911.286	Channel	1.0	13/02/2017	7	TRN	Calcite-quartz veinlets	3.59	2.900	0.687	4.80
425505	476204.693	3216844.795	918.420	Channel	0.9	14/02/2017	7	TRN	Graphitic shales bedding 10% of thin bands sulphides	21.48	14.850	6.630	24.70
425506	476205.240	3216844.494	919.069	Channel	0.9	14/02/2017	7	TRN	Graphitic shales bedding thin bands of sulphides	0.68	0.431	0.245	4.20
425507	476216.536	3216843.712	917.936	Channel	0.9	14/02/2017	7	TRN	Graphitic shale	0.49	0.389	0.097	2.80
425508	476216.404	3216843.621	918.755	Channel	0.8	14/02/2017	7	TRN	Graphitic shale	0.69	0.509	0.178	3.10
425509	476226.128	3216842.196	918.091	Channel	0.9	14/02/2017	7	TRN	Graphitic shale	0.41	0.220	0.191	2.40
425510	476225.717	3216842.234	918.665	Channel	0.7	14/02/2017	7	TRN	Graphitic shale	0.60	0.374	0.222	2.30
425511	476225.200	3216842.018	919.317	Channel	0.8	14/02/2017	7	TRN	Graphitic shale	0.38	0.304	0.074	1.70
425512	476235.760	3216840.633	917.848	Channel	0.9	14/02/2017	7	TRN	Graphitic and carbonaceous shale	0.34	0.262	0.079	2.30
425513	476235.747	3216840.808	918.698	Channel	0.8	14/02/2017	7	TRN	Graphitic and carbonaceous shale	0.35	0.253	0.097	1.90

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Sampling of cut channels was conducted by locating a one metre sampling line, using spray paint across mineralisation and ensuring that the line began in hanging wall host, spanned mineralisation and terminated in footwall host. Where mineralisation was thicker than one metre, the line was adjusted accordingly. This was done to minimise the bias of the sample value. Channel sampling was then completed, using the line as a guide, without sampling the line itself. As much representative sample was taken from the length of the line to produce a two to four kilogram sample. For this level of exploration, the sample size and method of sampling was deemed adequate to represent in-situ material. • Panel sampling of underground exposures and outcrops was conducted to minimise the bias from sampling in one immediate location, but rather several samples from the one location was taken. • Drilling sampling techniques employed at the Plomosas underground drilling program include saw cut NQ drill core samples. • Only NQ triple tube core (NQ3) is currently being used to drill out the geological sequences and identify zones of mineralisation that may or may not be used in any Mineral Resource estimations, mining studies or metallurgical testwork. • Diamond NQ3 core was sampled on geological intervals/contacts, with the minimum sample size of 0.5m and max 1.2m. • Core was cut in half, with one half to be sent for analysis at an accredited laboratory, while the remaining half was stored in appropriately marked core boxes and stowed in a secure core shed. Duplicates were quarter core, sampled from the half sent for analysis.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• Currently NQ3 triple tube using conventional wireline drilling is being used. • Core is being routinely orientated where possible, every 5th run (a run being 1.5 metres in length) using the Reflex ACT II RD core orientation system.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond core was reconstructed into continuous runs where possible, in an angle iron cradle for orientation mark ups. Depths were checked against drillers blocks and rod counts were routinely carried out by the drillers. • The use of triple tube improved core recovery. • Measurements for core recoveries were logged and recorded on hard copy sheets, which were then loaded into excel sheets and sent for data entry. These measurements, in combination with core photography show the overall recoveries vary between 50-95%.

Criteria	JORC Code explanation	Commentary
		• Due to the nature of the geology and the presence of large open-spaced breccias present in the vicinity of the mineralisation, the recovery of the mineralised core has been in some cases <60%. The use of triple tube in these areas will not improve recovery.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• CZL system of logging core records lithology, mineralogy, mineralisation, alteration, structure, weathering, colour and other primary features of the rock samples. • Logging is both qualitative and quantitative depending on the field being logged. • All drill holes are logged in full to end of hole. • Diamond core is routinely photographed digitally
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• CLZ diamond core is NQ3 size, sampled on geological intervals (0.3 m to 1.2 m), sawn in half or quartered if duplicate samples are required. • Samples to be submitted to ALS Chemex for preparation. The sample preparation follows industry best practice where all drill samples are crushed and split to 1kg then dried, pulverized and (>85%) sieved through 75 microns to produce a 30g charge for 4-acid digest with an ICP-MS or AAS finish. A split will be made from the coarse crushed material for future reference material. • Field duplicates are routinely taken for core samples. CZL procedures include a minimum of one duplicate per approximately 20 samples.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• All drill samples were submitted to ALS Laboratories for multi-element analysis using a 30g charge with a multi-acid digest and ICP-MS or AAS finish (ME-ICP61). Over the limit results will be routinely reassayed by ore grade analysis OG62. Over the limit results for the ore grade will be reassayed by titration methods Cu-VOL61, Pb-VOL50 or Zn-VOL50. • Analytes include 51 elements and include Ag, Au, Cu, Pb, Zn as the main elements of interest. • QAQC protocols for all drill sampling involved the use of Certified Reference Material (CRM) as assay standards. The insertion of CRM standards is visible estimation with a minimum of two per batch. Geostats standards were selected on their grade range and mineralogical properties. • Blanks are inserted at the bottom of relevant mineralised zones using the fine certified blank and immediately later the coarse blank, to identify any potential cross contamination. • All drill assays were required to conform to the procedural QAQC guidelines as well as routine laboratory QAQC guidelines.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage*	• Significant drilling intersections are noted in this report and are verified by qualified personnel from geological logging. • No twinned holes are being drilled as part of this program. • CZL logging and sampling data was captured and

Criteria	JORC Code explanation	Commentary
	(physical and electronic) protocols. • *Discuss any adjustment to assay data.*	imported using excel sheets and data entered into Micromine. • All CZL drillhole and sampling data is stored in a Micromine based system. Manual backups are routinely carried out.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Underground drill holes were located by Micromine using accurately surveyed drives and stopes. Once drill holes were located, mine survey crew resurveyed the cuddy and the hole locations. A final collar survey will be finalised when the holes are completed. • Down-hole surveys were taken at a nominal 30m interval and a final survey was taken at end of hole using a Reflex EZ-TRAC digital camera. • Grid system used is WGS84 Zone 13
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Hole spacing is currently limited by the confinements of the underground drives. Azimuths of holes are planned so significant intersections have adequate spacing between them to allow sufficient geological and grade continuity as appropriate for inclusion in any Minerals Resource estimations. Where underground access drives allows, drill cuddies have been established at 80 metre intervals to allow for adequate drill spacing. • No sample compositing has been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill orientations was designed to intersect any geological or geophysical contacts as high an angle as possible to reflect true widths as possible. • Sampling has been designed to cross structures as near to perpendicular as possible, minimising any potential in creating a bias sampling orientation.
Sample security	• *The measures taken to ensure sample security.*	• Samples were bagged in pre-numbered plastic bags into each bag a numbered tag was placed and then bulk bagged in batches not to exceed 25kg, into larger polyweave bags, which were then also numbered with the respective samples of each bag it contained. • The bags were tied off with cable ties and stored at the core facility until company personnel delivered the samples to the laboratories preparation facility in Chihuahua.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been completed to date, but both in-house and laboratory QAQC data will be monitored in a batch by batch basis. All protocols have been internally reviewed.

Section 2 Reporting of Exploration Results

(Criteria in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• Sampling was conducted over three adjoining tenements, La Verdad (T-218242), El Olvido (T-225527) and Ripley (T-218272). • Consolidated Zinc Ltd currently owns 51%

Criteria	JORC Code explanation	Commentary
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No relevant information is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Plomosas is located in a historic zinc-lead-silver mining district, with mineralisation hosted by a Palaeozoic sequence of shales, argillaceous limestones, reefal limestones, 'conglomeratic' limestones and sandstones. This approximately 1600 metres-thick carbonate-rich sequence forms part of the Ouachita "Geosyncline", which was inverted in a thrust deformation phase during the Upper Palaeozoic Appalachian Orogeny. • Characteristics of the deposit lead to the classification as an IRT III type mineralisation (Intrusive Related type III deposit) but may have some distal style affinities. • The control on mineralisation is both lithological and structural, but local structural bending of the manto is very important as it is strongly folded in a relatively regular pattern, oriented north/north-west to west/north-west striking. The segment of the fossiliferous horizon with the best potential is north/north-west striking with a south-east plunge. The N/NW orientation of sections of the stratigraphy (due to folding) is considered important in localising mineralisation. • The mineralogy is simple, consisting of iron-poor sphalerite, galena, silver, pyrite, chalcopyrite, barite, and calcite. The ore bodies are hosted by shale and marble on the footwall and hanging wall respectively. Intense marbleisation is restricted to a few meters from the hanging wall contact.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Appropriate information has been included in the report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer*	• No data aggregate methods were applied to the results.

Criteria	JORC Code explanation	Commentary
	lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• No drilling was completed to enable any relationship between mineralisation width and intercept lengths
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate diagrams are attached in the report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All sample results are reported
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other relevant data has been reported
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Appropriate information has been included in the report.