CONSOLIDATED ZINC LTD

21 March 2017

Significant Mineralised Areas Identified (outside resource)

- **Mapping and sampling along the Level 7 Drives in the Carola South area has returned assay results of up to 53.62% combined Zn+Pb**
- **Carola South high grades continue over 522m strike length, immediately accessible from underground**
- **Resource drilling has encountered visual mineralisation in hole LV8022, drilled down dip of the current resource shell and on strike to mineralisation in LV8014**
- **Scoping Study progressing with economic modelling and metallurgical testwork**

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.

ADDITIONAL MINERALISATION IDENTIFIED

As announced to the market on 9 March 2017, significant high grade mineralisation was mapped and sampled from underground at Tres Amigos North and Carola South (Figure 1).

Carola South

Excellent assay results from Carola South have since been received and confirmed the visual assessment with grades ranging up to 53.62% combined zinc and lead (Zn+Pb) (sample 425611) and a median of 20.69% Zn+Pb within the mineralised zone. The mineral exposure extends over 522m in this area 300m south of the current Mineral Resource. Tables 1 and 2 summarise the assay statistics and highlights while Figure 2 shows the sample locations. Full details of the samples and assay results are included as Appendix 1.

14 of 40 samples within the mineralised sequence returned over 30% Zn+Pb.

Table 1. Summary of assay results from within Carola South mineralised zone (40 samples)

	Zn+Pb% (Combined)	Zn%	Pb%	Ag g/t
Range	0.02% - **56.32%**	0.02% - **41.36%**	0.01% - **15.40%**	6.3 – **83.4**
Median	20.69%	14.23%	5.71%	34.75
Average (all)	20.38%	14.45%	5.94%	35.98
Average (Top 75%)	**27.02%**	**19.16%**	**7.86%**	**38.34**

Mineralisation in the Carola South area is an extension to the south of the massive sulphides previously mined by Asarco and extends the identified mineralisation by approximately 800m (Figure 1). No large scale mining was undertaken with an exploration drive developed and only occasional, minor mining from this drive when mineralisation was encountered. The Carola South exploration drive does not encounter the footwall or hanging wall contacts of the Mina Vieja Manto, which are the main areas of mineralisation occurrence.

Mineralisation here has similar attributes to the mineralised mine sequence recognised in Level 7 Deeps. Massive sulphides are 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. Copper values are elevated compared to other locations and as high as 0.97% Cu (sample 425600) and a few others around the 0.25% Cu grade, (samples 425582, 425585, 425628). Elevated copper may be a response to a deep seated intrusive interpreted by recent geophysical surveys as being located in the southern area. (Figure 6).

The total length of the mineralisation that occurs within the Carola South area so far is 522m.

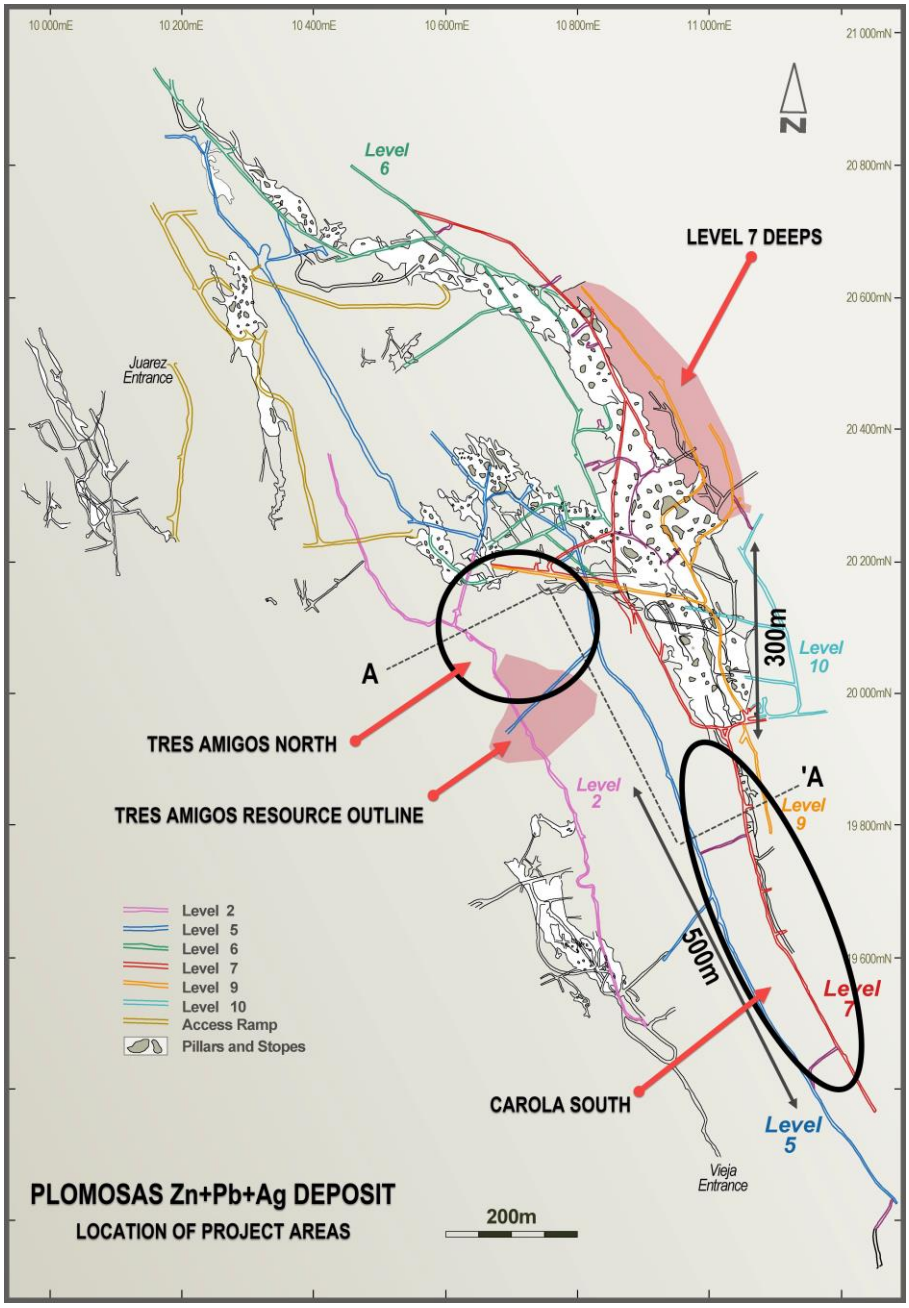

Figure 1. Zinc-lead mineralisation outlined and samples in the areas of Tres Amigos North and Carola South underground development. Section line A – 'A refers to the section shown in Figure 4.

Table 2. Highlights of Carola South assay results					
Sample No	**Rocktype**	**Zn+Pb Comb (%)**	**Zn (%)**	**Pb (%)**	**Ag (ppm)**
425611	Semi-oxide and massive mineralisation	53.62	38.22	15.40	68.3
425612	Massive sulphides	51.91	41.36	10.55	49.2
425537	Massive sulphide zone	48.70	33.65	15.05	66.6
425548	Carbonaceous shale with semi massive sulphides	41.80	29.10	12.70	60.9
425547	Massive sulphides	40.30	27.20	13.10	63.8
425613	Semi-oxide and semi-massive mineralisation	39.73	32.37	7.36	35.7
425643	Semi-oxide mineralisation hosted on conglomeratic marble	35.95	22.40	13.55	69.3
425564	Massive sulphide zone	35.35	25.80	9.55	83.4
425592	Semi-oxide to massive mineralisation	33.85	23.70	10.15	57.6
425559	Massive sulphides hosted on carbonaceous shale	33.20	20.00	13.20	50.9
425544	Massive sulphides	32.93	26.00	6.93	35.1
425538	Massive sulphide zone	32.20	20.80	11.40	49.3
425551	Semi massive to massive sulphides mineralisation	32.14	23.00	9.14	39.7
425605	Massive marble with semi-massive sulphides	30.01	29.30	0.70	20.2
425568	Carbonaceous shale with semi-massive sulphide band	29.85	19.60	10.25	39.5
425619	Semi-oxide mineralisation	29.35	19.70	9.65	36.8
425604	Semi-oxide and massive mineralisation	24.60	19.00	5.60	44.9
425631	Semi-massive sulphides hosted on massive marble	23.40	16.65	6.75	31.9
425554	Carbonaceous shale with massive sulphides bands	22.66	15.10	7.56	41.8
425625	Semi-oxide mineralisation hosted on conglomeratic marble	20.86	15.05	5.81	34.4
425556	Massive sulphides hosted on carbonaceous shale	20.52	12.90	7.62	25.6

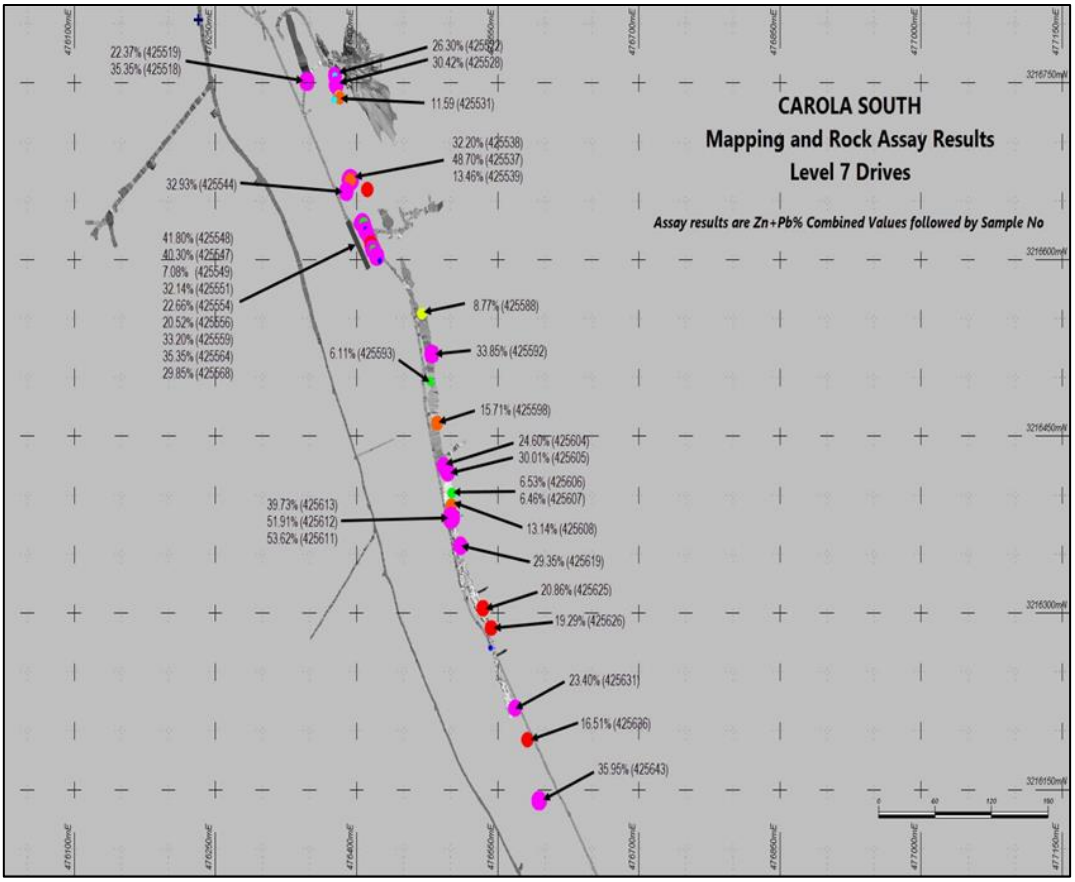

Figure 2; Sample locations and combined (Zn+Pb%) grade results for Carola South

Figure 3; Massive sulphide mineralisation in Carola South hosted in the Mina Vieja Manto (arrow length ca. 2 metres). Samples 425611 to 425613 returned 53.62%, 51.91% and 39.73% Zn+Pb% combined from this area.

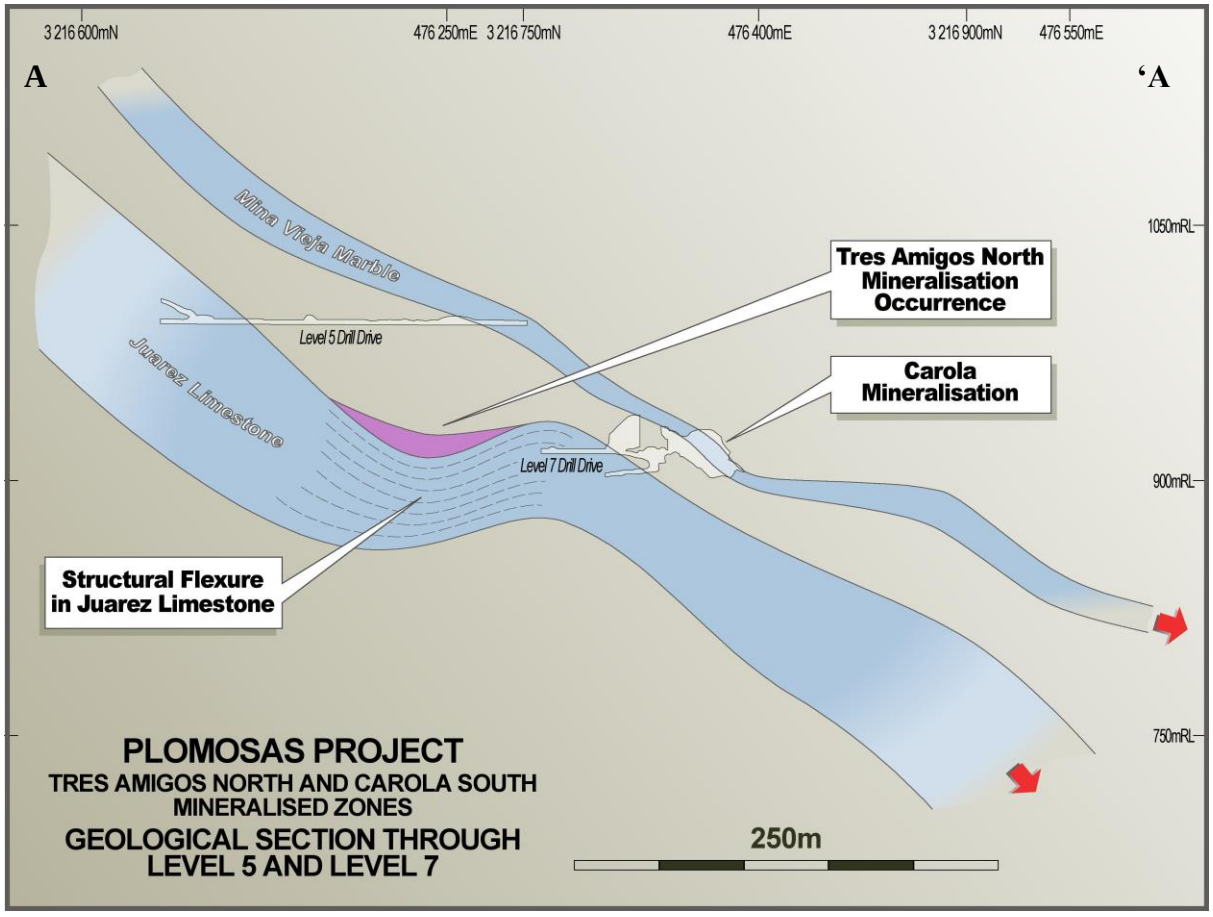

Figure 4; Schematic cross section of the relationship between Juarez Limestone and Tres Amigos North

RESOURCE DEFINITION DRILLING UPDATE

Level 7 Resource Extension

Since the last update, holes LV8020 to LV8022 have been completed and assays are awaited. Table 3 provides details of the drillholes completed.

Notably LV8022 was drilled to target mineralisation at the same elevation as that encountered in LV8014 (3.51m at 11.60% Zn, 6.63% Pb, 30.8 g/t Ag). Figure 6 shows the location of these drillholes and current JORC (2012) Mineral Resource.

Visual interpretation of LV8022 core shows it intersected significant massive sulphide between 78.10m and 80.0m. Assays for this hole are pending. All these holes are outside the ore envelope and will enable the current resource to be modified and expanded.

Plans for newly identified mineral areas

Subsequent to receiving the high grade assay results from Tres Amigos North earlier this month, a series of holes has been planned to test the location of the Juarez Limestone. This is the main host to this style of mineralisation, including a massive sulphide zone of approximately 2m to 3m in thickness.

Consequently, drilling in L8.1 has been halted to enable drill testing of the Tres Amigos North area from Level 5, while a reinterpretation of the Level 7 Deeps ore zone is completed and drilling recommences.

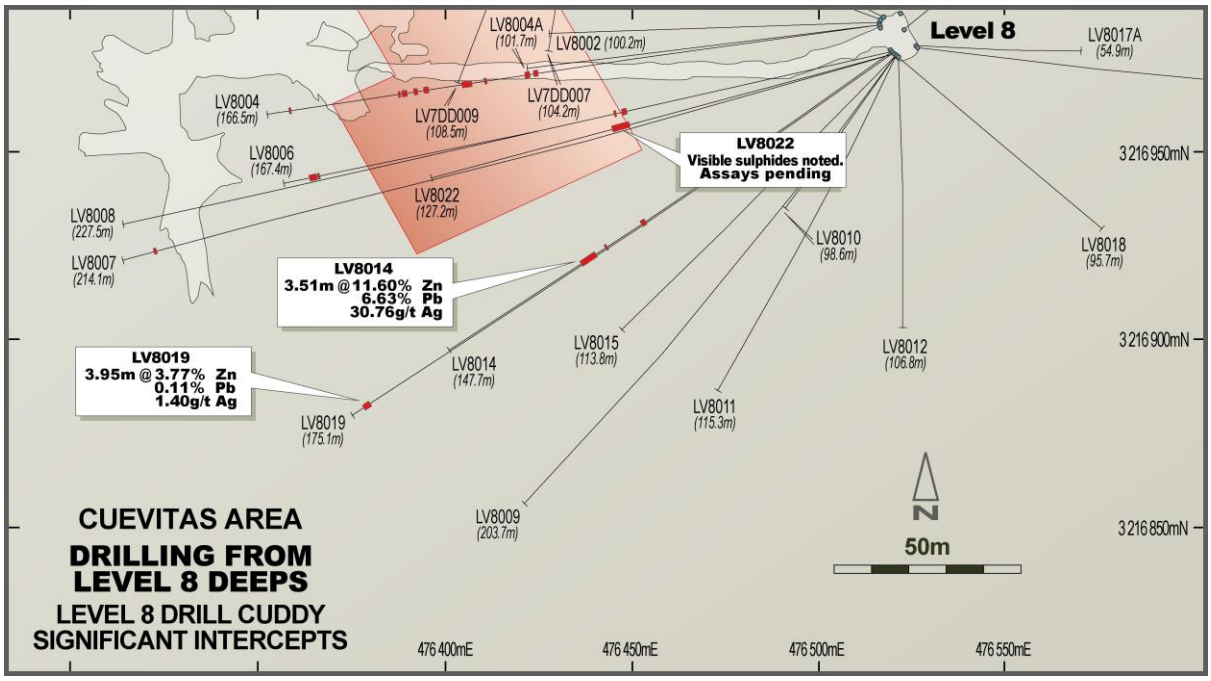

Figure 5. Location of mineralised intervals in drillholes south and outside of the current Mineral Resource envelope.

EXPLORATION UPDATE

Geophysics

Final processing for the magnetic inversion data is in progress. This data has suggested the presence of a significant intrusion one kilometre south of Plomosas and estimated to be 700m in depth below surface. Further analysis is intended to confirm and shed more light on this interpretation.

The presence of an intrusion may help in understanding the history and style of mineralisation within the mine and surounds as well as provide additional targets for exploration Notable changes in the geochemistry especially in the rock chip sampling of Carola South also supports this theory, as there appears to be elevated copper values. This is significantly higher than other zones, such as Level 7 Deeps and Tres Amigos, where the copper values were negligible.

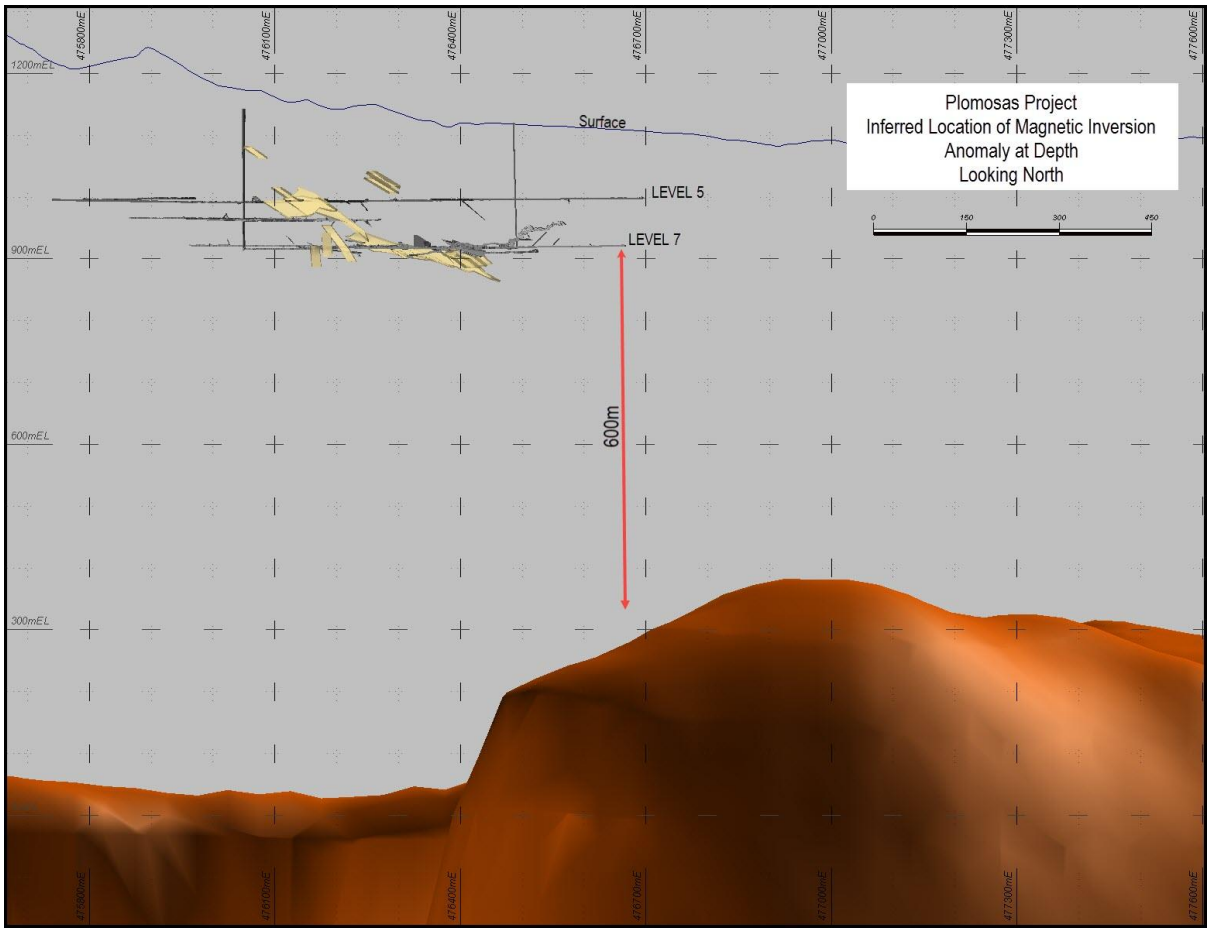

Figure 6; Cross section though the magnetic inversion and position of the Plomosas Mine showing the spatial relationship between the two areas and interpreted intrusive.

SCOPING STUDY PROGRESS

Scoping study

The green light was given to Runge Pincock Minarco to commence the mining study for different mining senarios with BatteryLimits Pty Ltd undertaking the metallurgical and processing review. A Stage 1 refurbishment of the existing plant on site and expansion to accommodate mining scenarios

of 200 to 400 tonnes per day (approximately 70,000 – 140,000tpa) is being considered. Completion is expected in 2-3 months time subject to metallurgical testwork.

Metallurgical Samples

Metallurgical samples were collected from the Level 7 Deeps semi-oxide mineralised zone and sent to SGS Lakefield Laboratories in Canada. These consisted of 350kg of samples for metallurgical test work and 150kg of samples for column leach testing for tailings dam purposes. Four 10L containers of water samples were also sent for water analysis.

Managing Director Will Dix commented: *The very high grade mineralisation that has been identified well to the south of the current resource at Carola South and also that at Tres Amigos North gives us further confidence that with drilling we can quickly grow the resource well beyond the current tonnage. We are working hard to fast-track this as it has clear implications for the scale of project to be considered in the scoping study and beyond. The study is progressing well and focussed heavily on the metallurgical testwork and process flow-sheet as we believe this is where we will be able to demonstrate significant gains in any future operation.*

Yours faithfully,

Will Dix
Managing Director
21 March, 2017

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 7. Location of Plomosas Mine, Chihuahua Mexico

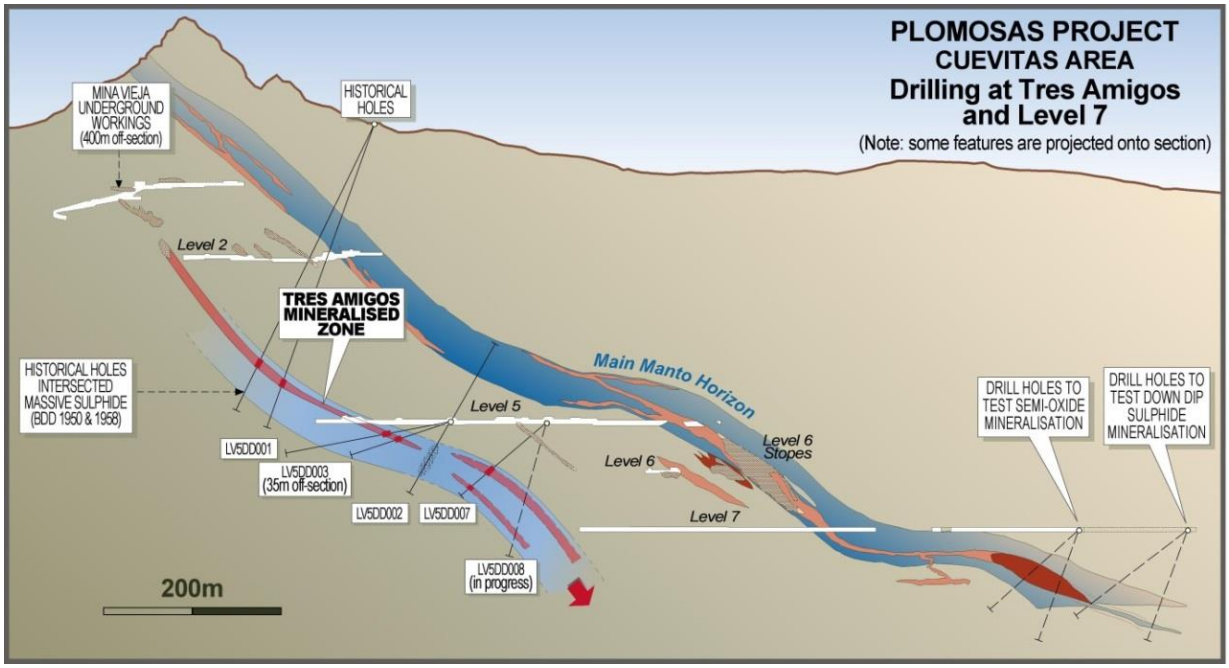

Figure 8; Section view of the Plomosas mine through Cuevitas area showing the Tres Amigos zone, historical drilling and the drilling planned for Mina Vieja Manto Horizon below Level 7.

Table 3. Plomosas 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
LV8020	476519.39	3216976.78	910.83	-30.30	236.25	0.00	101.90	101.90
LV8021	476519.94	3216976.33	911.17	-15.30	216.45	0.00	178.20	178.20
LV8022	476519.23	3216976.89	911.13	-14.90	254.35	0.00	127.20	127.20

Table 4; 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).

APPENDIX I
ASSAY RESULTS FROM THE CAROLA SOUTH ROCK CHIP CHANNEL SAMPLING

APPENDIX 1. CAROLA SOUTH ROCK CHIP/CHANNEL SAMPLING DETAILS AND ASSAY RESULTS													
Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)	Cu (%)
425535	476411.678	3216659.019	920.944	Channel	1.0	16/02/2017	7	Conglomeratic marble	16.68	11.15	5.53	25.30	0.001
425536	476412.162	3216659.406	921.581	Channel	1.0	16/02/2017	7	Conglomeratic marble	0.12	0.08	0.03	<0.5	0.000
425537	476393.825	3216667.403	923.591	Channel	1.0	16/02/2017	7	Massive sulphide zone	48.70	33.65	15.05	66.60	0.019
425538	476393.743	3216667.453	924.505	Channel	1.0	16/02/2017	7	Massive sulphide zone	32.20	20.80	11.40	49.30	0.019
425539	476394.055	3216667.524	925.495	Channel	1.0	16/02/2017	7	Massive sulphide zone	13.46	8.10	5.36	31.60	0.014
425543	476389.597	3216657.272	924.203	Channel	0.8	16/02/2017	7	Carbonaceous shale	3.32	2.28	1.04	6.60	0.003
425544	476389.624	3216657.290	924.763	Channel	0.5	16/02/2017	7	Massive sulphides	32.93	26.00	6.93	35.10	0.012
425545	476389.721	3216657.555	925.419	Channel	0.8	16/02/2017	7	Graphitic shales	0.49	0.34	0.15	1.90	0.002
425546	476406.129	3216631.180	922.181	Channel	0.5	16/02/2017	7	Graphitic shales	8.02	5.53	2.49	13.70	0.005
425547	476406.551	3216630.766	922.672	Channel	0.6	16/02/2017	7	Massive sulphides	40.30	27.20	13.10	63.80	0.017
425548	476406.452	3216630.709	923.202	Channel	0.5	16/02/2017	7	Carbonaceous shale with semi massive sulphides	41.80	29.10	12.70	60.90	0.011
425549	476408.117	3216630.824	923.423	Channel	0.5	16/02/2017	7	Carbonaceous shale	7.08	4.55	2.53	14.30	0.004
425550	476410.021	3216624.021	921.809	Channel	0.6	16/02/2017	7	Carbonaceous shale	3.26	2.34	0.92	6.20	0.004
425551	476409.982	3216624.016	922.610	Channel	0.9	16/02/2017	7	Semi massive to massive sulphides mineralization	32.14	23.00	9.14	39.70	0.010
425552	476410.276	3216625.750	923.223	Channel	0.5	16/02/2017	7	Carbonaceous shale	2.44	1.44	1.00	4.60	0.002
425553	476413.027	3216619.375	921.525	Channel	0.6	16/02/2017	7	Carbonaceous shale	1.91	1.28	0.64	4.00	0.002
425554	476412.812	3216619.523	922.219	Channel	0.8	16/02/2017	7	Carbonaceous shale with massive sulphides bands	22.66	15.10	7.56	41.80	0.013
425555	476413.135	3216619.706	922.959	Channel	0.8	16/02/2017	7	Carbonaceous shale	0.77	0.54	0.23	3.80	0.002
425556	476415.385	3216613.118	921.258	Channel	0.6	16/02/2017	7	Massive sulphides hosted on carbonaceous shale	20.52	12.90	7.62	25.60	0.009
425557	476415.126	3216613.101	922.044	Channel	0.7	16/02/2017	7	Carbonaceous shale	0.82	0.39	0.43	5.00	0.002
425558	476415.312	3216612.881	922.739	Channel	0.9	16/02/2017	7	Carbonaceous shale	0.25	0.18	0.07	2.20	0.002
425559	476417.699	3216608.601	921.168	Channel	0.6	16/02/2017	7	Massive sulphides hosted on carbonaceous shale	33.20	20.00	13.20	50.90	0.013
425560	476417.819	3216608.555	921.486	Channel	0.5	16/02/2017	7	Carbonaceous shale with sulfides traces	5.02	2.900	2.120	12.20	0.005
425561	476417.724	3216608.769	922.049	Channel	0.5	16/02/2017	7	Carbonaceous shale	0.20	0.159	0.046	<0.5	0.001

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Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)	Cu (%)
425562	476418.234	3216604.565	920.931	Channel	0.9	16/02/2017	7	Carbonaceous shale	0.42	0.252	0.168	2.40	0.002
425563	476417.963	3216604.565	921.705	Channel	0.8	16/02/2017	7	Carbonaceous shale	0.28	0.180	0.098	5.80	0.004
425564	476421.741	3216602.605	920.940	Channel	1.0	16/02/2017	7	Massive sulphide zone	35.35	25.800	9.550	83.40	0.009
425568	476421.827	3216602.490	921.643	Channel	0.5	16/02/2017	7	Carbonaceous shale with semi-massive sulphide band	29.85	19.600	10.250	39.50	0.011
425569	476424.795	3216598.830	920.778	Channel	0.6	16/02/2017	7	Carbonaceous shale	2.54	1.895	0.641	5.30	0.002
425570	476425.052	3216599.024	921.409	Channel	0.8	16/02/2017	7	Carbonaceous shale	0.87	0.655	0.219	2.00	0.002
425571	476430.085	3216597.349	920.684	Channel	0.8	16/02/2017	7	Carbonaceous shale	0.46	0.370	0.091	1.50	0.002
425572	476430.170	3216597.513	921.574	Channel	0.1	16/02/2017	7	Carbonaceous shale	0.09	0.078	0.009	1.00	0.002
425574	476437.505	3216591.090	921.848	Channel	0.7	17/02/2017	7	Carbonaceous shale	0.07	0.054	0.012	1.00	0.003
425575	476437.561	3216591.120	922.344	Channel	0.5	17/02/2017	7	Conglomeratic marble	0.04	0.027	0.013	<0.5	0.002
425576	476437.631	3216591.210	923.061	Channel	0.9	17/02/2017	7	Carbonaceous shale	0.05	0.032	0.017	<0.5	0.001
425577	476447.578	3216580.710	924.254	Channel	1.0	17/02/2017	7	Massive Marble	0.06	0.044	0.017	<0.5	0.000
425578	476447.644	3216580.940	925.244	Channel	1.0	17/02/2017	7	Massive Marble	0.44	0.317	0.121	2.70	0.001
425579	476455.144	3216570.490	924.179	Channel	1.0	17/02/2017	7	Massive Marble	0.16	0.153	0.012	<0.5	0.002
425580	476454.930	3216570.610	925.150	Channel	1.0	17/02/2017	7	Massive Marble	0.25	0.148	0.098	<0.5	0.004
425581	476461.900	3216564.730	923.290	Channel	0.5	17/02/2017	7	Massive Marble	0.06	0.042	0.022	2.40	0.051
425582	476462.020	3216564.750	923.772	Channel	0.5	17/02/2017	7	Massive Marble with massive sulphide band	0.25	0.177	0.073	19.70	0.266
425583	476461.960	3216564.750	924.527	Channel	1.0	17/02/2017	7	Massive Marble	0.13	0.086	0.049	1.00	0.023
425584	476466.015	3216557.670	922.567	Channel	0.7	18/02/2017	7	Massive Marble	0.18	0.155	0.030	1.90	0.059
425585	476465.997	3216557.760	923.278	Channel	0.7	18/02/2017	7	Semi-oxide mineralization	0.59	0.350	0.237	23.00	0.254
425586	476465.996	3216557.590	923.983	Channel	0.6	18/02/2017	7	Massive Marble	1.32	1.180	0.139	1.60	0.010
425587	476469.870	3216553.940	921.983	Channel	1.0	18/02/2017	7	Massive Marble	0.22	0.135	0.082	<0.5	0.005
425588	476469.932	3216554.020	923.032	Channel	1.0	18/02/2017	7	Massive marble with semi-massive sulphides	8.77	5.340	3.430	13.30	0.008
425589	476478.228	3216535.690	922.497	Channel	1.0	18/02/2017	7	Massive marble	1.74	1.380	0.356	7.20	0.009
425590	476478.444	3216535.650	923.329	Channel	1.0	18/02/2017	7	Massive marble	0.59	0.438	0.149	1.50	0.003
425591	476481.262	3216516.990	919.089	Channel	1.0	18/02/2017	7	Massive marble	2.71	1.775	0.932	3.10	0.003
425592	476480.678	3216519.810	919.872	Channel	1.0	18/02/2017	7	Semi-oxide to massive mineralization	33.85	23.700	10.150	57.60	0.019

APPENDIX 1. CAROLA SOUTH ROCK CHIP/CHANNEL SAMPLING DETAILS AND ASSAY RESULTS													
Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)	Cu (%)
425593	476478.857	3216496.250	920.435	Channel	0.8	18/02/2017	7	Massive marble with sulphide patches	6.11	3.410	2.700	10.40	0.010
425594	476478.282	3216496.090	921.201	Channel	0.8	18/02/2017	7	Massive marble with sulphide patches	0.46	0.234	0.222	<0.5	0.001
425595	476478.265	3216496.120	922.088	Channel	0.8	18/02/2017	7	Massive marble with sulphide patches	0.23	0.163	0.070	<0.5	0.001
425596	476486.961	3216482.470	923.241	Channel	0.8	18/02/2017	7	Massive marble with sulphide traces	0.04	0.029	0.011	<0.5	0.001
425597	476487.114	3216482.810	923.897	Channel	0.8	18/02/2017	7	Massive marble with sulphide traces	0.02	0.017	0.008	<0.5	0.001
425598	476486.025	3216460.770	927.294	Channel	0.5	18/02/2017	7	Massive marble	15.71	14.550	1.155	10.70	0.017
425599	476486.079	3216460.810	927.764	Channel	0.5	18/02/2017	7	Massive marble	0.70	0.474	0.221	1.20	0.010
425600	476490.113	3216439.030	931.100	Channel	1.0	18/02/2017	7	Semi-oxide mineralization	1.26	0.934	0.325	79.30	0.939
425601	476498.139	3216433.090	930.874	Channel	1.0	18/02/2017	7	Massive marble	0.08	0.061	0.017	2.00	0.010
425602	476498.251	3216433.400	931.602	Channel	1.0	18/02/2017	7	Massive marble at leaching marbles footwall	0.17	0.155	0.016	<0.5	0.004
425603	476492.165	3216424.840	932.586	Channel	1.0	18/02/2017	7	Massive marble	0.15	0.109	0.046	<0.5	0.002
425604	476492.686	3216425.040	933.220	Channel	0.6	18/02/2017	7	Semi-oxide and massive mineralization	24.60	19.000	5.600	44.90	0.043
425605	476497.344	3216418.900	933.387	Channel	1.0	18/02/2017	7	Massive marble with semi-massive sulphides	30.01	29.300	0.709	20.20	0.049
425606	476501.415	3216401.590	935.806	Channel	0.6	18/02/2017	7	Massive marble	6.53	5.140	1.385	9.90	0.011
425607	476501.459	3216401.460	936.463	Channel	0.6	18/02/2017	7	Massive sulphides on marble-shale contact	6.46	1.825	4.630	13.30	0.014
425608	476501.235	3216390.940	938.266	Channel	0.8	21/02/2017	7	Semi-massive sulphides hosted on massive marble	13.14	10.400	2.740	15.40	0.011
425609	476501.197	3216391.020	938.816	Channel	1.0	21/02/2017	7	Massive marble	0.23	0.178	0.048	1.00	0.011
425610	476501.744	3216380.050	940.450	Channel	1.0	21/02/2017	7	Massive marble with semi-massive sulphides	8.91	6.710	2.200	9.20	0.006
425611	476501.079	3216380.470	941.442	Channel	0.6	21/02/2017	7	Semi-oxide and massive mineralization	53.62	38.220	15.400	68.30	0.029
425612	476501.126	3216380.670	942.090	Channel	0.6	21/02/2017	7	Massive sulphides	51.91	41.360	10.550	49.20	0.031
425613	476500.863	3216380.800	942.717	Channel	0.8	21/02/2017	7	Semi-oxide and semi-massive mineralization	39.73	32.370	7.360	35.70	0.031
425617	476507.960	3216367.420	942.122	Channel	1.0	21/02/2017	7	Sheared marble	0.26	0.166	0.094	0.50	0.005
425618	476510.826	3216356.898	943.271	Channel	0.7	21/02/2017	7	Massive marble	3.11	2.530	0.576	2.60	0.003
425619	476511.025	3216356.710	943.941	Channel	0.5	21/02/2017	7	Semi-oxide mineralization	29.35	19.700	9.650	36.80	0.014
425620	476510.475	3216356.658	944.553	Channel	0.5	21/02/2017	7	Carbonaceous shale	0.64	0.375	0.266	1.20	0.003
425621	476517.744	3216337.594	945.768	Channel	1.0	21/02/2017	7	Conglomeratic marble	0.17	0.113	0.057	<0.5	0.001
425622	476527.345	3216323.523	946.138	Channel	0.8	21/02/2017	7	Massive marble and shale contact	0.07	0.060	0.011	<0.5	0.001

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Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Width (m)	Sample Date	Level	Rocktype	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Ag (ppm)	Cu (%)
425623	476528.073	3216323.332	946.295	Channel	0.8	21/02/2017	7	Conglomeratic marble and shale contact	0.04	0.027	0.014	<0.5	0.000
425624	476528.479	3216323.223	946.916	Channel	0.8	21/02/2017	7	Massive marble	0.05	0.039	0.016	<0.5	0.001
425625	476534.963	3216303.925	946.189	Channel	0.6	21/02/2017	7	Semi-oxide mineralization hosted on conglommarble	20.86	15.050	5.810	34.40	0.023
425626	476543.217	3216287.250	948.110	Channel	1.0	21/02/2017	7	Semi-oxide mineralization hosted on conglommarble	19.29	13.400	5.890	28.40	0.016
425627	476543.045	3216269.967	953.102	Channel	0.7	21/02/2017	7	Conglomeratic marble	2.32	1.405	0.913	2.00	0.004
425628	476542.625	3216270.188	953.571	Channel	0.7	21/02/2017	7	Conglomeratic marble	2.41	1.215	1.190	3.30	0.004
425629	476548.748	3216253.826	955.743	Channel	1.0	21/02/2017	7	Semi-Oxide Mineralisation	0.33	0.116	0.212	6.30	0.256
425630	476561.050	3216236.142	955.216	Channel	1.0	21/02/2017	7	Massive marble	0.08	0.051	0.033	<0.5	0.004
425631	476569.138	3216219.100	955.305	Channel	0.6	21/02/2017	7	Semi-massive sulphides hosted on massive marble	23.40	16.650	6.750	31.90	0.014
425632	476569.124	3216219.070	956.100	Channel	0.8	21/02/2017	7	Conglomeratic marble at hangingwall of $SM	0.73	0.488	0.237	0.70	0.001
425634	476576.210	3216205.171	957.661	Channel	1.0	21/02/2017	7	Massive marble	0.60	0.427	0.170	0.70	0.002
425635	476581.873	3216192.370	957.959	Channel	0.7	21/02/2017	7	Massive marble	0.23	0.071	0.156	0.50	0.005
425636	476581.837	3216192.267	958.653	Channel	0.6	21/02/2017	7	Semi-massive sulphides	16.51	11.950	4.560	11.60	0.012
425637	476586.912	3216174.646	961.381	Channel	1.0	22/02/2017	7	Semi-oxide mineralization	1.11	0.709	0.397	9.50	0.139
425638	476586.781	3216174.579	962.257	Channel	0.6	22/02/2017	7	Massive marble	0.23	0.186	0.046	<0.5	0.003
425639	476592.775	3216154.272	965.051	Channel	0.6	22/02/2017	7	Semi-oxide mineralization	0.49	0.150	0.341	7.30	0.086
425640	476592.727	3216154.175	965.844	Channel	0.8	22/02/2017	7	Massive marble	0.06	0.039	0.025	<0.5	0.002
425641	476594.130	3216138.550	967.248	Channel	0.9	22/02/2017	7	Carbonaceous shale at marble footwall	0.03	0.024	0.010	<0.5	0.002
425642	476594.246	3216139.672	967.788	Channel	1.0	22/02/2017	7	Conglomeratic Marble	0.07	0.033	0.033	0.50	0.006
425643	476594.400	3216140.319	968.460	Channel	1.0	22/02/2017	7	Semi-oxide mineralization hosted on conglomeratic marble	35.95	22.400	13.550	69.30	0.040
425647	476583.392	3216120.235	969.608	Channel	1.0	22/02/2017	7	Carbonaceous shale	0.05	0.028	0.018	<0.5	0.001
425648	476583.769	3216120.703	970.264	Channel	1.0	22/02/2017	7	Carbonaceous shale	0.04	0.026	0.019	0.70	0.001

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 (eg 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 (eg '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 (eg 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 ooutcrops 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 (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie 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 bais 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.* • *The security of the tenure held at the time of*	• 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
	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 marblisation 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 (eg 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 lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should*	• No data aggregate methods were applied to the results.

Criteria	JORC Code explanation	Commentary
	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 (eg '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 (eg 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.