

\$1.96m Placement to Accelerate Drilling Programs

- Consolidated Zinc (CZL) has received firm commitments for a Placement of \$1.96 million from new and existing investors
 - Demand has been driven by the recently announced successful Scoping Study and newly identified exploration areas within and outside the mine which includes high grade intercepts well below the current development
 - CZL commenced a significant circa 70 hole drilling program in late November with 3 rigs undertaking extensional and resource definition drilling high grade Plomosas Zinc Project, along with the testing of further regional targets nearby
 - First assays are due shortly and further assays will continue for the next few months
 - Regional exploration demonstrating early success with the recently announced high grade assays of up to 42.72% Zn+Pb from mineralised exposures at the nearby Juarez mine
 - Funding will accelerate the drilling campaign to expand the existing Resource at Plomosas
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Consolidated Zinc Ltd ("**CZL**" or the "**Company**") is pleased to announce it has received firm commitments to place 163,455,050 fully paid ordinary shares at \$0.012 per share (with a free 1 for 3 unlisted 2.5c, 31 December 2020 option), to raise \$1.96 million before costs ("**Capital Raising**"). The issue has been offered to institutional and sophisticated investors in Australia and will be completed in two tranches. The first tranche of 107,681,717 shares will utilise the Company's available 15% capacity and settle by 20 December 2017. The second tranche of 55,773,333 shares and 54,485,013 options (consisting of all free attaching options from tranche 1 and tranche 2 placements) will be subject to shareholder approval and so completed, once that has been obtained.

Patersons Securities Limited have acted as Lead Manager and Corporate Adviser to the Company for the Capital Raising. The Company received additional cornerstone support from its Chairman, Stephen Copulos and a number of major Shareholders.

The funds raised will be used to accelerate resource drilling that is currently underway both below the underground mine workings in the Cuevitas Zone, at Tres Amigos and at several new areas within the mine at the Company's highly prospective Plomosas Zinc Project in northern Mexico. In addition, the first regional drillholes targeting new exploration areas will commence early in 2018.

The proceeds of tranche 2 of the placement, issue of options and approval of Directors participation are subject to shareholder approval at a meeting to be held as soon as practical at a date to be advised.

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