

28 August 2019

## **Favourable Court Ruling - Land Use Agreement Dispute**

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Consolidated Zinc Limited (ASX: CZL; “Consolidated Zinc” or “the Company”) is pleased to announce the full bench of the Federal Court of Mexico (“Federal Court”) has ruled in favour of the Company’s subsidiary, Minera Latin American Zinc S.A.P.I. de C.V. (“MLAZ”) and cancelled the prior Appeals Court of Chihuahua (“Appeals Court”) ruling in favour of the local rancher.

The Federal Court determined that the Appeals Court should have considered all evidence submitted, including the Land Use Agreement (the “Agreement”) and the entire terms and conditions of this Agreement, and referred the case back to the Appeals Court.

MLAZ has received two independent legal opinions confirming there was no basis for the proceedings initiated by the landowner. Retec and then MLAZ have complied with the terms of the Agreement, including the payment of all rental charges, before and after the assignment, and no default notice has been issued by the local rancher.

MLAZ has also successfully defended the local rancher’s claims on two previous occasions in the Civil Courts of Chihuahua, Mexico.

MLAZ continues to operate freely at Plomosas and in accordance with the Agreement.

For and on behalf of the Board.

**Brad Marwood**  
**Managing Director**

### **ABOUT CONSOLIDATED ZINC**

Consolidated Zinc Limited (ASX: CZL) owns 90% of the historic Plomosas Mine, located 120km from Chihuahua City, Chihuahua State, Mexico. Chihuahua State has a strong mining sector with other large base and precious metal projects in operation within the state. Historical mining at Plomosas between 1945 and 1974 extracted over 2 million tonnes of ore grading 22% Zn+Pb and over 80g/t Ag. Only small-scale mining continued to the present day and the mineralised zones remain open at depth and along strike.

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