

Plomosas Operations Update SEPTEMBER 2019

- **1,363 tonnes of ore mined, down from 2,794 tonnes in August as the Company processed the significant ore stockpile**
- **3,607 DMT of ore processed, with processed grades of 10.4% Zinc, 7.5% Lead and 32 g/t Silver**
- **Upgraded Aldama plant processed up to 266 tonnes per day during September**
- **Ore stockpile of 4,757 tonnes available for processing through the Aldama facility**
- **Zinc and lead concentrates produced are being sold to local smelters and customers within Mexico**

Consolidated Zinc Limited (ASX: CZL or “the Company”) is pleased to provide an update on production at its Plomosas zinc-lead-silver mine in Mexico.

Ore Production (WMT)

SEPTEMBER 2019 PRODUCTION STATISTICS			July 2019	Aug 2019	Sept 2019	YTD 2019
MINED	ORE	TONNES	3,354	2,794	1,363	34,659
	WASTE	TONNES	593	1,422	1,010	16,052
	DEVELOPMENT	METRES	65	76	44	1,377
MINED GRADE	ZINC	%	14.3	14.1	10.4	13.2
	LEAD	%	8.3	8.3	7.5	5.6
TOTAL METAL MINED	ZINC	TONNES	480	394	142	4,572
	LEAD	TONNES	278	232	102	1,951

Ore mining

Ore mining activities were reduced during September to manage the run of mine stockpile levels. Ore mining was stopped for a two-week period where the mining contractor completed major services of their equipment.

On-ore decline development progressed below the 900mRL Sublevel with new access developed at the 888mRL sublevel along strike of the high-grade SOX ore and will be completed in the next few months. This sublevel will provide a return airway while mining the stopes from 875mRL (Level 9) and 921m RL Sublevel.

Ore Processing

The third party Aldama Concentrator (“Aldama”) milled 3,607 tonnes during September, a 24% increase from that milled in August 2019. The plant operated above 200 tonnes per day for 5 of the last 11 days of September and continued to operate at over 170 tonnes per day into October. Plant availability was adversely affected by power outages due to a heavier than usual summer rain season and multiple lightning strikes which typically end towards the end of September. The State electricity authority restored power and CZL is costing the installation of backup generator sets that could reduce the lost time due to future power outages.

On the 26 September the plant processed 266 tonnes and during the period 20 – 27 September the plant averaged 220 tonnes per day production, with scheduled maintenance shutdowns on the last 3 days of the month limiting production.

8 October 2019

Ore grades milled were 10.4% zinc, 7.5% lead and 32 g/t Silver, the ore selected has resulted in the production of high-quality clean concentrates free of any deleterious elements to smelting and refining.

Zinc and lead recoveries during September were negatively affected by the lower plant availability and a faulty pH sensor, with zinc recoveries to zinc concentrate of 56.7% in September.

All zinc and lead concentrates produced were sold to local smelters and customers during September.

In total, 1,655 tonnes and 562 tonnes of zinc and lead concentrates respectively, were sold in the quarter with an additional 175 tonnes of zinc concentrate delivered and sold on 1 October 2019 which will be recognised as revenue in October 2019 in accordance with the IFRS accounting policies.

For and on behalf of Consolidated Zinc Limited.

Brad Marwood
Managing Director
Consolidated Zinc Limited

ABOUT CONSOLIDATED ZINC

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

The company has recommenced mining at Plomosas and is committed to exploit the potential of the high-grade Zinc, Lead and Silver Mineral Resource through the identification, 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.

Caution Regarding Forward Looking Statements and Forward Looking Information:

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

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

Production Targets:

Production targets referred to in this report are underpinned by estimated Mineral Resources which have been prepared by competent persons in accordance with the requirements of the JORC Code. The production targets in this report are sourced from both Indicated and Inferred Mineral Resources and it should be noted that there is a low geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The stated production target is based on the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.