High-grade Gold System Identified at Plomosas

- **Regional exploration identifies high-grade gold in a mineralised system in the north west of Plomosas concessions areas.**
- **Samples returned assay values up to 61.0g/t Au, 27.5g/t Au and 7.42g/t Au**
- **Exploration on the gold targets to be prioritised**
- **Regional exploration to continue definition of additional targets for both gold and zinc.**

Consolidated Zinc Limited (ASX:CZL) (**Company** or **CZL**) is pleased to announce that high-grade gold mineralisation has been confirmed at its 100% owned Plomosas concessions, located to the north-west of the current zinc-lead-silver mining operations at Plomosas, operated by CZL's wholly owned subsidiary, Minera Latin American Zinc S.A.P.I de C.V. (**MLAZ**)

Geological mapping of the sequence trending to the north-west of the Plomosas zinc-lead-silver mine has identified what appears to be an additional gold mineralised system.

First pass rock chip results of outcrops and old workings returned exciting results with grades up to 61.0g/t Au, 27.5g/t Au and 7.42g/t Au, with the highlights presented in Table 1 below. Refer to Table 2 for the results of rock-chip samples.

Table 1. Highlights of anomalous gold and copper rock chip sampling

Project	Sample No	Sample Type	Rocktype	Au (g/t)	Cu %	Ag (g/t)	Zn %(g/t)	Pb %
Chona- Enrique prospect	38158	Selected	Vein	**4.77**	**4.06**	3.80	0.00	0.00
La Chona area	38160	Selected	Vein	**27.50**	**2.19**	4.10	0.00	0.00
La Chona area	38161	Selected	Vein	**61.00**	**2.88**	6.90	0.00	0.00
La Chona area	38162	1m Channel	Limestone	**7.42**	**2.91**	4.20	0.00	0.00
Potrero	38175	Grab Sample	Breccia	**2.55**	0.00	0.03	0.00	0.00

The system is defined by complex, kilometre-scale geological structures associated with several geophysical anomalies and mineralised outcrops and workings. Historical small-scale mining of high-grade gold and copper quartz veins was undertaken but there have been no previous modern gold exploration methods completed within the Plomosas concessions to assess the implication or potential of these occurrences. Consequently, these results are very encouraging.

Figure 1 shows the location of the main gold prospects within the Plomosas concessions, along with structural features, while Figure 2 illustrates the locations of mineralisation along with geology and structural features.

The rock chip results, indicate identification of a potential gold system over an area of at least one kilometre (1km) within the Plomosas concessions. This will be followed up with an aggressive exploration program to define targets. Mapping and sampling are currently ongoing, and results will be made announced as received.

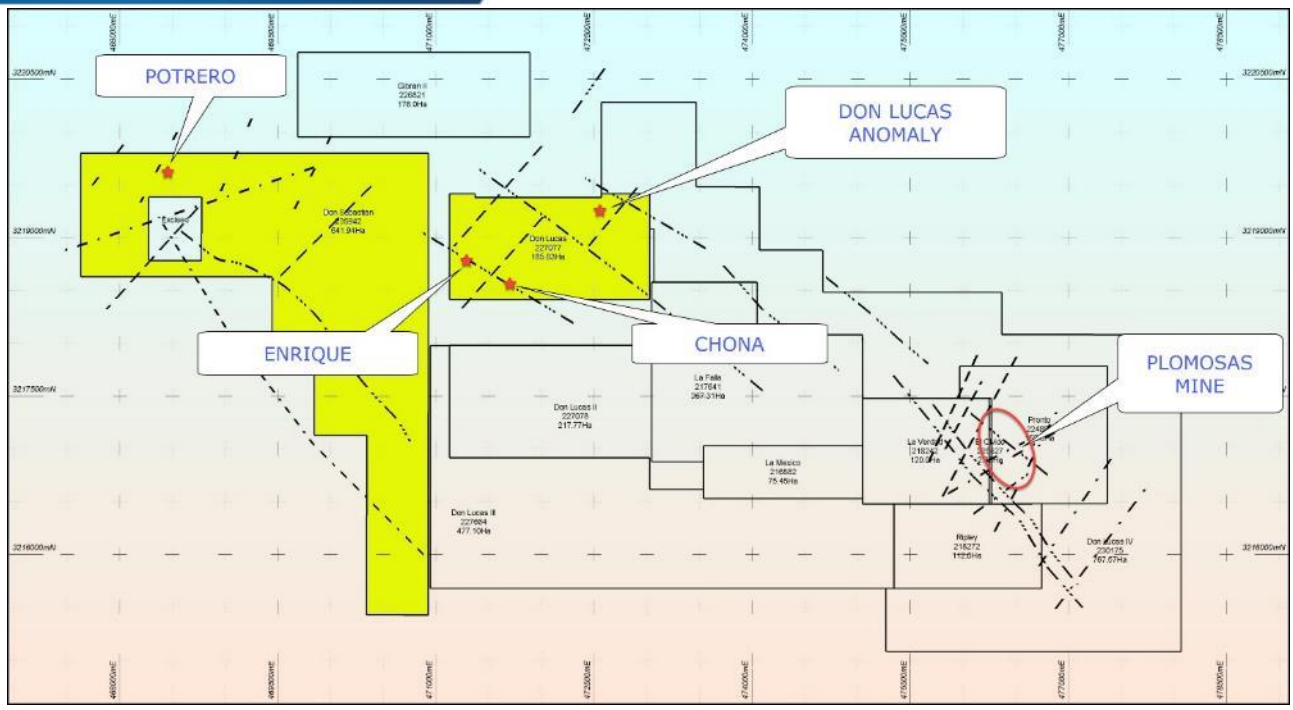

Figure 1: *Location of main gold prospects with associated structural lineaments within the Plomosas concessions*

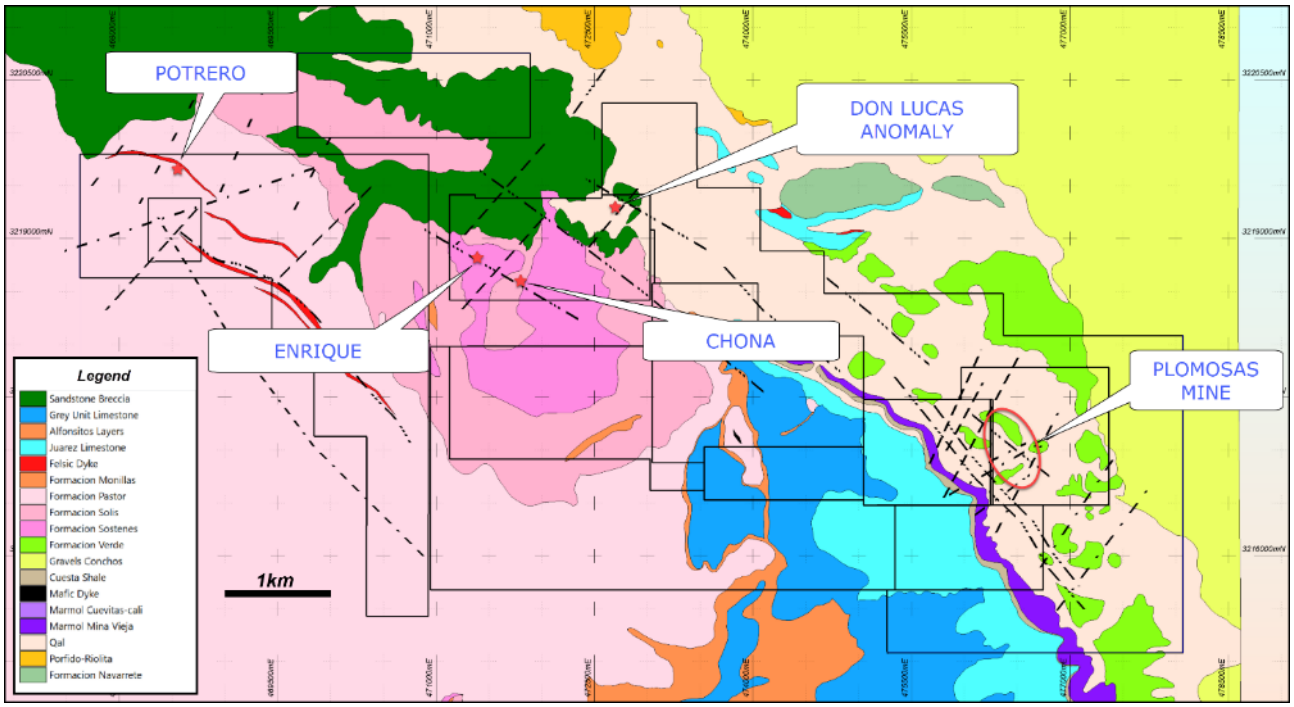

Figure 2: *Location of gold prospects showing geological setting*

Chona and Enrique Vein Systems

Located approximately 5km to the west-northwest of Plomosas zinc-lead-silver mine and within the Don Lucas concession, the Chona and Enrique mineralisation occur as thin veins developing to wider zones of mineralisation, interpreted to be mesothermal in origin. Veins in the immediate Chona area are typically around 20-30cm in thickness, however previous reports have noted veins up to 1.2 metres thick, with a visual strike extent of around 100 metres with a dip of 80^{O} and strike of 330^{O}.

Veins are granular, containing quartz, carbonate and haematite as gangue to malachite at around 3%. Zonation in the veins show a malachite centre with haematite rims and edges.

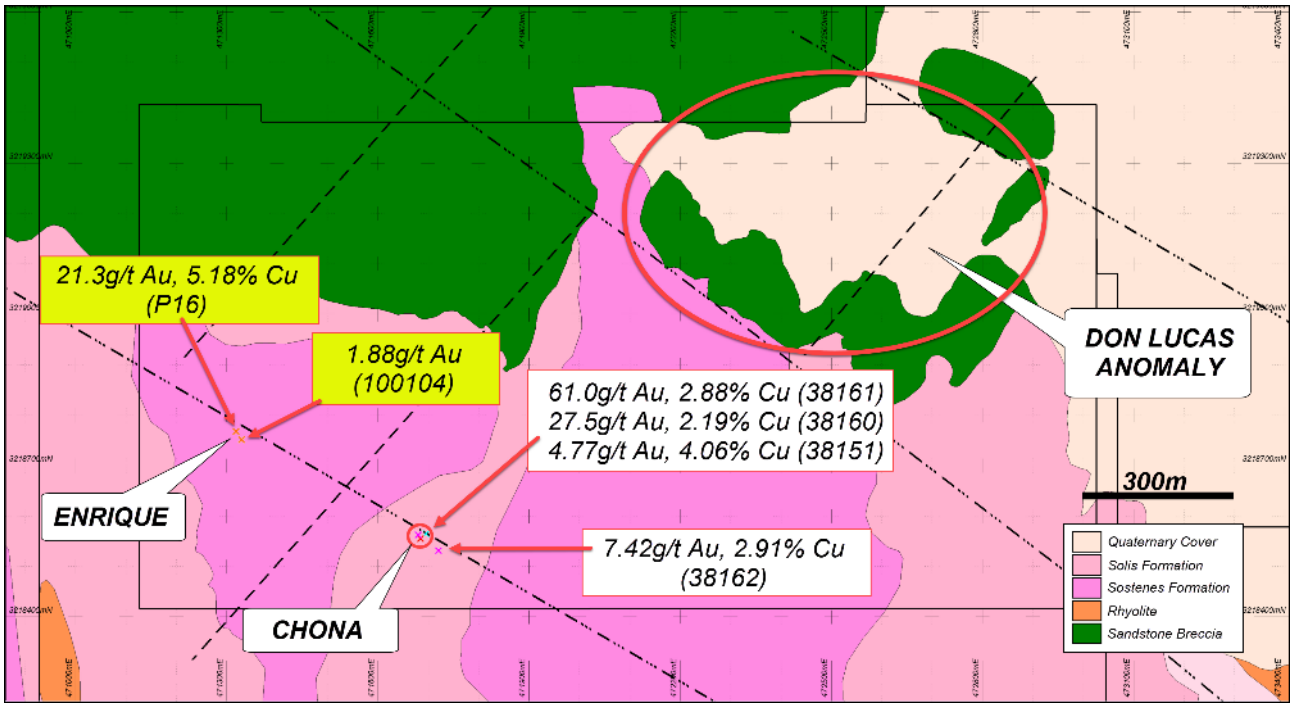

Figure 3: *Don Lucas concession with geology, structures and location of assays for the Chona, Enrique and Don Lucas Anomaly prospects. Samples highlighted in yellow are historic samples. Refer to text for details.*

The Chona veins have previously been worked by locals, creating a strike drive from which around 1,200 tonnes (field estimation only) was removed, shown in Figure 5.

Historical assay values from Chona include 8.37g/t Au, 2.45% Cu (Schultz, 2006), 10.4g/t Au, 5.18% Cu (Goodell 2009), 11.23g/t Au, 6.0% Cu (Secretaria de Desarrollo Industrial, 2008) and 0.877g/t Au, 17.1% Cu, (Laforest 2010).

The Enrique veins are interpreted to be the continuation of the Chona veins system and are located 420 metres further to the northwest. Enrique is a thicker vein system, can be traced on surface for around 60 metres, varies from 1.5 to 3 metres in thickness and is similar mineralogy to the Chona vein. The veins dip 65^{O} to the north east with a strike of around 345^{O}. There is potential for the gold bearing veins to swell, narrow and cluster along strike, refer to Figure 6.

Historic assays from Enrique are 21.3g/t Au and 2% Cu, (Goodell, 2008).

MLAZ samples collected from Chona returned values of:

- 61.0g/t Au, 6.9g/t Ag, 2.88% Cu (sample 38161);
- 27.5g/t Au, 4.1g/t Ag, 2.19% Cu (sample 38160);
- 7.42g/t Au, 4.2g/t Ag, 2.91% Cu (sample 38162); and
- 4.77g/t Au, 3.8g/t Ag, 4.06% Cu (sample 38158).

These areas are considered highly prospective and will be assessed further during the 2020 exploration year.

TMI 1VD air magnetics in the Don Lucas area shows several linear blocks defined by strong northwest structures. Along one of these northwest lineaments occur the mineralisation that is Chona and Enrique veins. Figure 7 shows the location of the samples with assay results, along a lineament as defined by magnetics.

Figure 5: *Close up veiw of the Chona vein showing style of mineralistion. MLAZ sampling of this vein returned values of 61.0g/t Au, 6.9g/t Ag, 2.88% Cu (sample 38161), 27.5g/t Au, 4.1g/t Ag, 2.19% Cu (sample 38160)*

Figure 4: *Image of Chona stope showing the sheared vein in the upper centre of the photo. Stope is 1 – 3 metres in width and around 10 - 15 metres in depth. Strike drives are noted at the lower levels.*

Figure 6: *Enrique vein of widths around 1.5 to 3 metres, has similar values to the Chona veins and is located 420 metres to the south east along strike. Historic sampling returned values of 21.3g/t Au, 2.0% Cu and 1.88g/t Au*

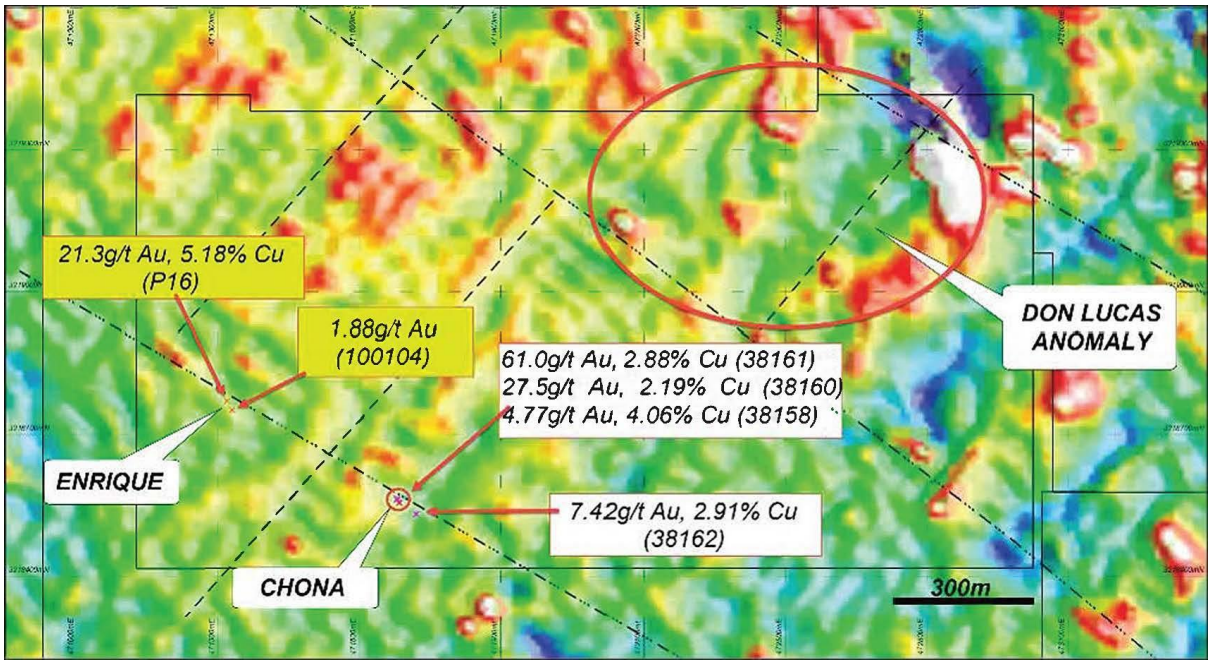

Figure 7: *VD1 Air magnetics over the Don Lucas Concession area. Note north-westerly structures that host the Chona and Enrique Veins. The parallel structures around Don Lucas return gold assay results of a similar tenor. Samples highlighted in yellow are historic samples. Refer to text for details.*

Potrero Project

This project is located in the north-western corner of Don Sebastian Concession located within Plomosas where previous mining activities are evident from small adits which, accessed mineralised breccia associated with a large felsic intrusive.

Potrero geology is complex and comprises thrusts zones and kilometre-scale folding. Late stage faulting is also noted which displaced layered sequences. There is a dominant felsic intrusive located in the concession that appears to have brecciated and altered the host rocks, and generated fluids for gold mineralisation. This is shown by the anomalous K-radiometrics and analogous ASTER clay imagery, that coincide with the position of the intrusive.

Imagery shows there is a relationship with alteration and the felsic sill, as there is a moderate magnetic signature with coincident K-radiometric anomaly running along the eastern shoulder of the sill. Refer to Figures 8, 9 10 and 11.

Historic assays returned values of 14.65g/t Au, (sample 100126), 16.0g/t Au (sample 100120) 8.20g/t Au (sample 177059), 2.47g/t Au (sample 100119), 1.56g/t Au (sample 100118) and 1.24g/t Au (sample 177055). Samples 100120, 177059 and 100119 come from the old mill and mullock piles. Samples 100126, 100118 and 177055 were sampled from outcrop accessed within the adits.

The Company took only one sample from this area which returned a grade of 2.55g/t Au (sample 38175) however, the sample was from the same mullock pile as the historic sampling.

Potrero is adjacent to an intrusive sill notable in mapping and in the airborne magnetics, which extends for more than a kilometre. Gold mineralisation from previous work related to this intrusive and presenting at half ounce grades is very exciting.

Additional work is planned to test if any gold mineralisation related to the intrusive is present.

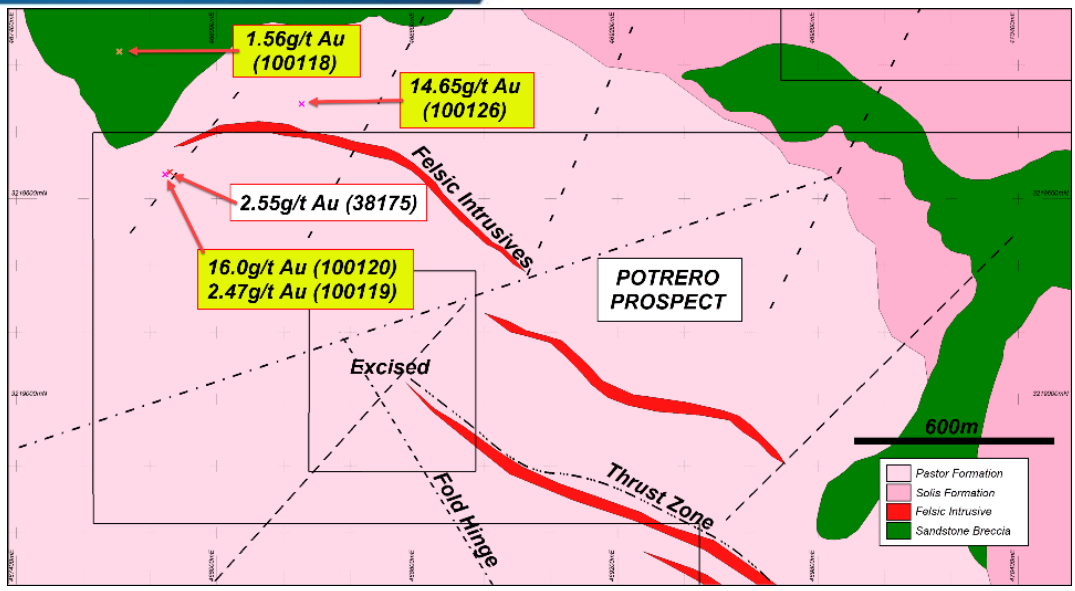

Figure 8: *Potrero prospect area showing the major structure lineamants on geology. Felsic intrusive units are the targets that are associated with ASTER anomaliesa and K-radiometric highs, indicting the presence of alteration minerals, along with breccias on the margins of the intrusive. Samples highlighted in yellow are historic samples. Refer to the body of this announcement for full details.*

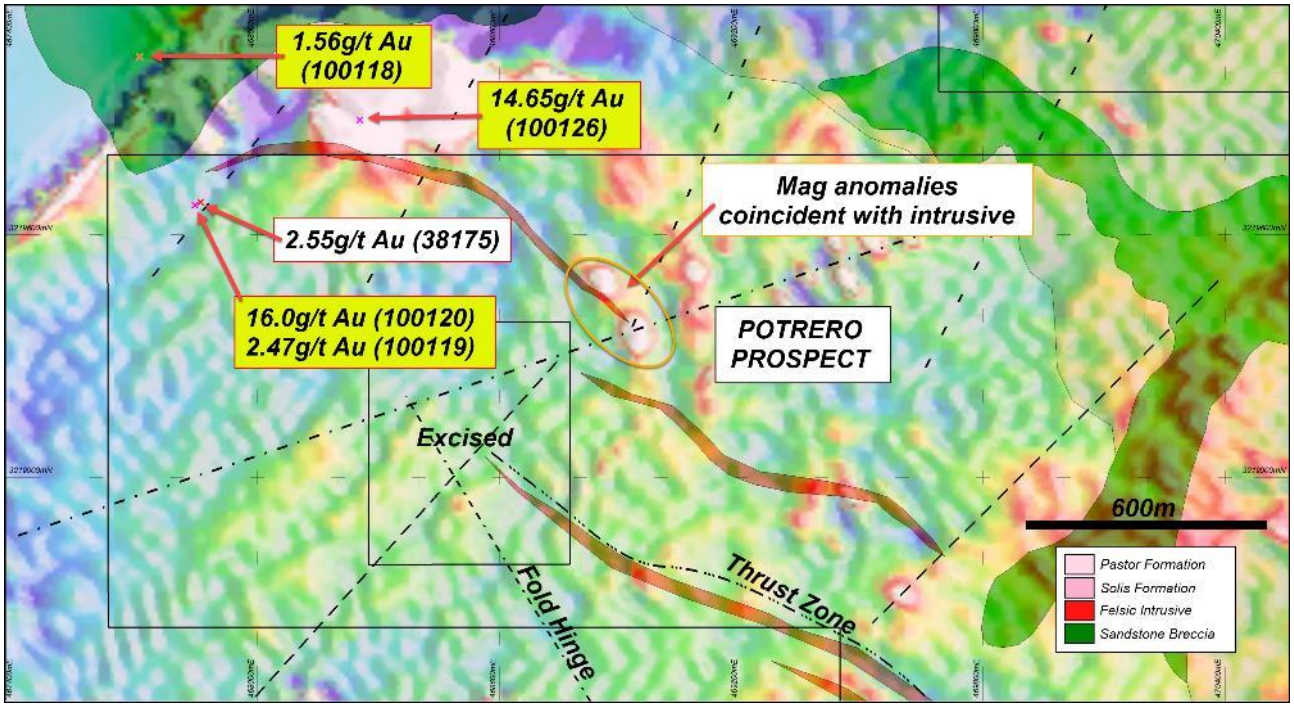

Figure 9: *Potrero Prospect geology over 1VD magnetics highlighting the magnetic low along the eastern edge of the intrusive and the magnetic highs to the south. The lower magnetic signature is coincident with the K- high as shown in the following figure. Samples highlighted in yellow are historic samples.*

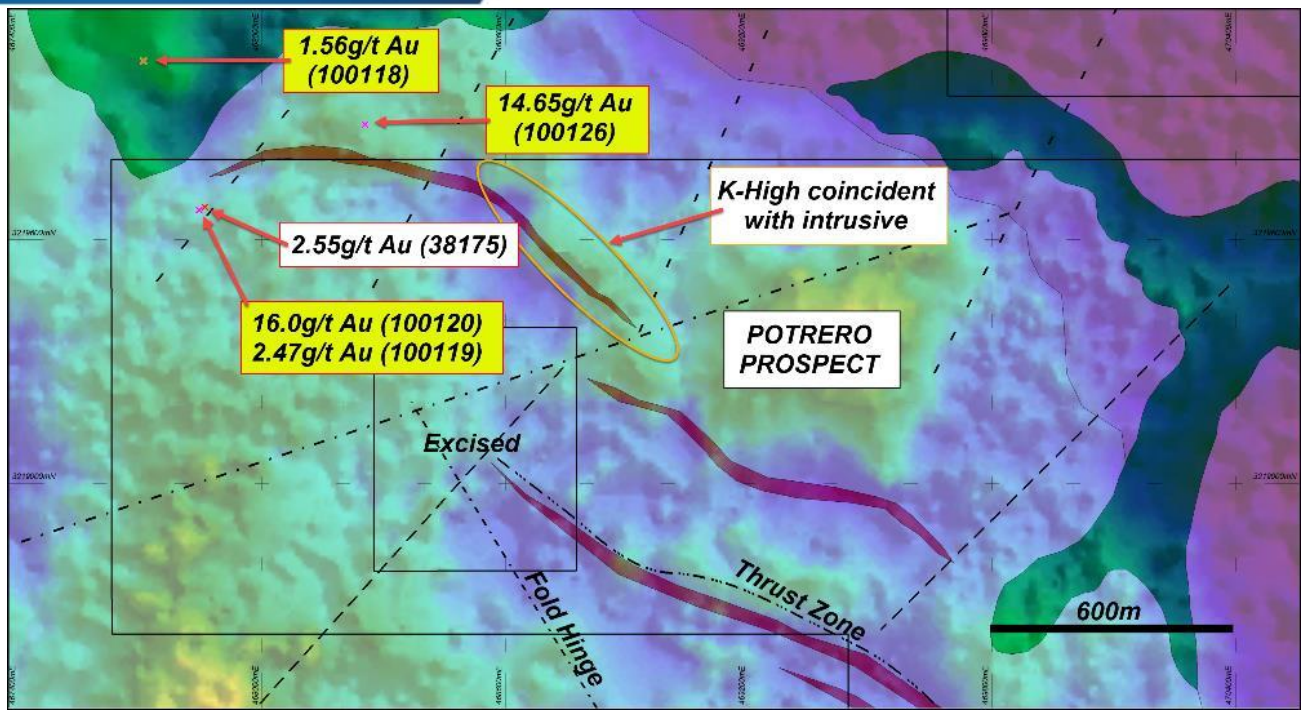

Figure 10: *Potrero Prospect Area showing geology over K-radiometric data. K-anomaly occurs along the felsic intrusive in the middle north of the image, which is coincidental to the weakened magnetics and the ASTER clay anomaly. Samples highlighted in yellow are historic samples. Refer to body of this announcement for full for details.*

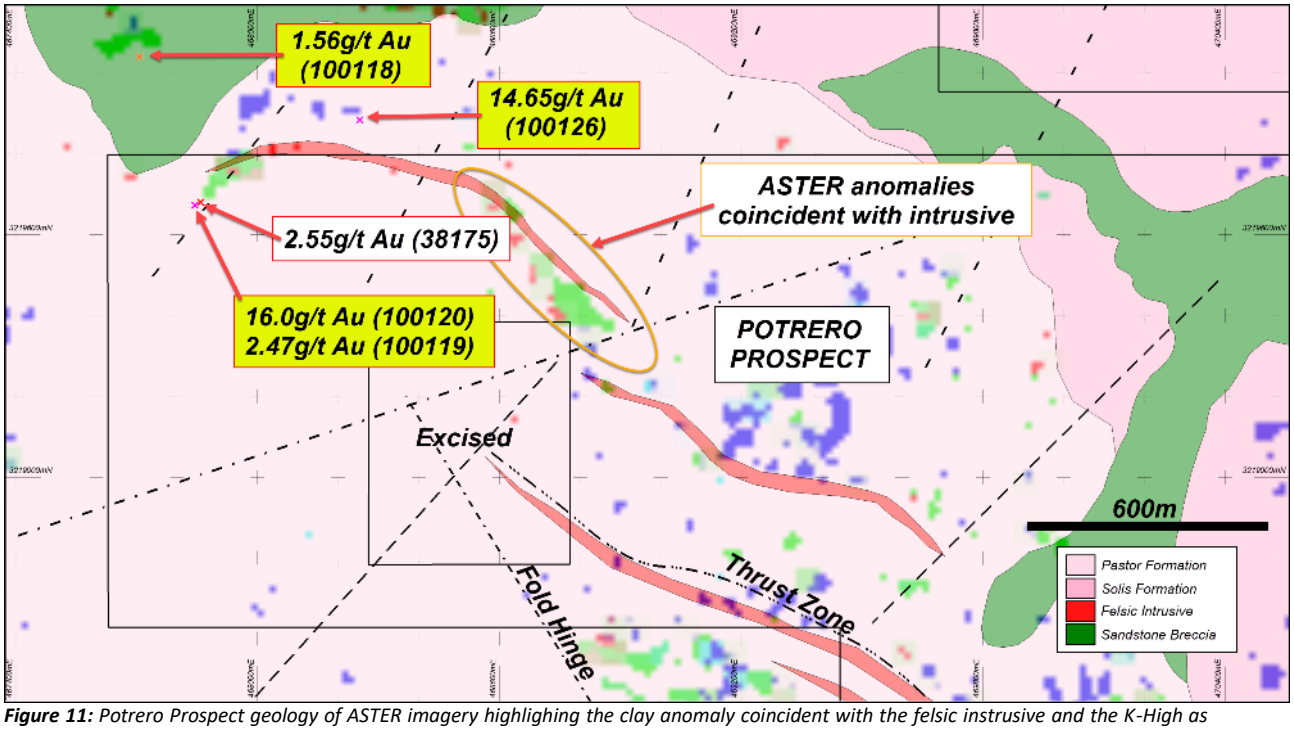

Figure 11: *Potrero Prospect geology of ASTER imagery highlighing the clay anomaly coincident with the felsic instrusive and the K-High as shown in the previous figure. ASTER clay anomalism showing possible alteration clays along the felsic intrusive. These are defining the presence of possibly alteration style kaolinite/alunite and illite group of clay materials. Samples highlighted in yellow are historic samples. Refer to the body of this announcement for full details.*

Don Lucas Anomaly

This prospect is defined by large coincident ASTER and K-radiometric anomalies, coupled with magnetic signatures in the north-eastern corner of the concession, particularly one magnetic high located at 472843.8mE; 3219259.7mE. This magnetic high complements the K-radiometric high, which appears to Indicate the presence of alteration style clays.

Lineaments displaying offset structural features in the prospect also suggest they may be hosts to mineralisation.

Figures 3 and 7 show the location of the rock chip samples, in relation to the anomalous signatures to the southwest. The ASTER results shown in Figure 2, highlight clay alteration which is coincident with the K-radiometrics image which may indicate an alteration trend. (Figure 3).

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

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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 acquired 100% 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.

Competent Persons' Statement

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Mr Steve Boda BSc (Hons), MAIG, MGSA, MSEG. Mr Boda is a Member of Australian Institute of Geoscientists (AIG).

Mr Boda has 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). Mr Boda consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

Table 2: Sample co-ordinates and results for the regional programs

Project	Sample No	East WGS84	North WGS84	Elev (m)	Sample Type	Rocktype	Au (ppm)	Ag (ppm)	Pb %	Zn %	Cu %
La Chona	38151	472829.13	3219530.03	1262.27	1m Channel	Limestone	0.001	0.025	0.0006	0.0006	0.0014
La Chona	38152	472808.83	3219462.05	1279.23	1m Channel	Limestone	0.00	0.03	0.00	0.00	0.00
La Chona	38155	471685.35	3218555.52	1511.17	1m Channel	Vein	0.00	0.03	0.00	0.00	0.01
La Chona	38156	471682.56	3218558.22	1511.17	Selected	Vein	0.00	0.03	0.00	0.00	0.00
La Chona	38157	471682.56	3218558.22	1511.17	Selected	Vein	0.00	0.03	0.00	0.00	0.00
La Chona	38158	471684.97	3218555.26	1507.32	Selected	Vein	**4.77**	3.80	0.00	0.00	**4.06**
La Chona	38159	471684.97	3218555.26	1507.32	1m Channel	Limestone	0.00	0.03	0.00	0.00	0.01
La Chona	38160	471680.15	3218562.25	1511.17	Selected	Vein	**27.50**	4.10	0.00	0.00	**2.19**
La Chona	38161	471680.12	3218563.91	1511.15	Selected	Vein	**61.00**	6.90	0.00	0.00	**2.88**
La Chona	38162	471720.25	3218531.45	1482.19	1m Channel	Limestone	**7.42**	4.20	0.00	0.00	**2.91**
Potrero	38171	469840.01	3220766.22	1321.25	Grab Sample	Limestone	0.01	0.60	0.00	0.00	0.01
Potrero	38172	469733.36	3220613.93	1333.03	Grab Sample	Limestone	0.01	0.03	0.00	0.00	0.00
Potrero	38173	468704.45	3220251.19	1383.24	Grab Sample	Gossan	0.01	0.03	0.00	0.00	0.00
Potrero	38174	468630.02	3220250.83	1392.44	Grab Sample	Gossan	0.01	0.03	0.00	0.00	0.01
Potrero	38175	467859.23	3219680.59	1465.00	Grab Sample	Breccia	**2.55**	0.03	0.00	0.00	0.00
Potrero	38177	468535.59	3219068.54	1460.00	Grab Sample	Breccia	0.13	0.03	0.00	0.00	0.00

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.*
		• Rock chip samples of 1 to 3kg sizes are collected directly from the vein, alteration or other areas of interest. Samples ae nominated as either bias, panel, random or channel. Samples are cleaned of any organics, described and bagged in prenumbered samples bags. Co-ordinates of the sample are recorded using hand-held GPS.
		• 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 three-kilogram sample. For this level of exploration, the sample size and method of sampling was deemed adequate to represent in-situ material.
		• Exploration sampling in the Regional Exploration program followed the protocols:
		  • All sample types were recorded into the sample table, which described whether the samples were in situ, float or mullock.
		  • Samples were then described and placed into pre-numbered sample bags and then transported back to the geology yard.
		  • Samples were then grouped and placed into polyweave bags, which were then numbered and sent to ALS in Chihuahua for crushing and pulverising.

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).*	• No drilling was completed
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*	• No drilling was completed

Criteria	JORC Code explanation	Commentary
	fine/coarse material.	
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.*	• Rock samples were described, and photos taken as appropriate • No drill samples were taken
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.*	• Samples to be submitted to ALS Chemex for preparation. The sample preparation follows industry best practice where all 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.
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.*	• Au analysis by fire assay ICP-AES • All 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 for base metals 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. • No QAQC protocols were necessary
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 (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable
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.*	• Location of the samples were taken by handheld GPS

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	
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.*	• Not Applicable
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.*	• Not Applicable
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 reporting along with any known impediments to obtaining a licence to operate in the area.*	• Sampling was conducted over five adjoining tenements, La Verdad (T-218242), Don Lucas (T-227664), Ripley (T-218272), La Mexico (T-195345) and La Falla (T-217641) • Consolidated Zinc Ltd currently owns 100% of the mining licenses.
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

Criteria	JORC Code explanation	Commentary
		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 Fe-poor and Fe-rich 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 (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 be shown in detail.*	• No data aggregate methods were applied to the results.

Criteria	JORC Code explanation	Commentary
	• *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.

Section 3 Estimation and Reporting of Mineral Resources (Not Applicable)

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

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Not applicable
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Not applicable
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Not applicable
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Not Applicable
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	• *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Not applicable
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Not applicable
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Not applicable.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Not applicable
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects*	• No assumptions have been made regarding environmental factors. CZL will work to mitigate environmental impacts as a result of any future mining or mineral processing.

Criteria	JORC Code explanation	Commentary
	have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Not applicable
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Not applicable
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Not applicable
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Not applicable