CONSOLIDATED ZINC LTD

23 April 2020

PLOMOSAS RESOURCE DRILLING UPDATE

FURTHER HIGH GRADE ZINC IDENTIFIED

- **Drilling intersected high-grade mineralised intervals in the Level 7 Semi-oxide orebody (SOX) as part of the Inferred to Indicated category conversion.**
- **Drilling intersected significant downhole results up to 5.1m @ 14.2% Zn, 5.39%Pb, 48.68g/t Ag and 3.5m @ 22.54% Zn, 7.46%Pb, 35.64g/t Ag.**
- **Drilling encountered some faulting within the main zone but also demonstrated that thicker units of high-grade mineralisation occur within the current resource model at Level 7 which is the deepest of the main ore workings currently developed at Plomosas.**
- **Several high grade results from channel sampling includes 2.2m @ 43.02% Zn, 13.5% Pb, 83.25g/t Ag and 1.8m @ 36.61% Zn, 20.41% Pb, 139.22g/t Ag**

Consolidated Zinc Limited (CZL:ASX) is pleased to present the following update detailing drilling and assay results received at the Plomosas Project as part of the resource upgrade drilling programme.

RESOURCE DRILLING

Underground drilling aimed at converting Inferred category Mineral Resources within the Semi-Oxidised mineralisation (SOX) to Indicated Category completed eight holes for 435 metres in Cuddies L7.1 and L8.2. This latest drilling of the existing JORC (2012) Mineral Resource defined in 2018 tested the inferred mineralisation in the central zone and targeted extensions to inferred resource material to the south of the SOX (Refer Figure 1).

Massive sulphide mineralisation was visually identified in holes with thicker units observed in holes LV7065 and LV8023. Highlights of the downhole results from these holes are shown below;

• **LV7065**	**3.30m at**	**24.80% Zn,**	**8.31% Pb,**	**68.78g/t Ag**
• **LV8023**	**5.10m at**	**14.20% Zn,**	**5.39% Pb,**	**48.68g/t Ag**
• **LV8025**	**3.50m at**	**22.54% Zn**	**7.46% Pb**	**35.64g/t Ag**

Table 1 summarises the results encountered in drill holes reported and details the assays results. Table 2 provides additional details of the drilling and results.

Styles of mineralisation intersected in the drilling show the presence of massive to semi-massive sulphides occurring at the hanging wall contact to the Cuesta shales and the Mina Vieja marble unit (hole LV8023). Drill holes targeting mineralisation at 20 metres down dip to these sulphide units, intersected units of thinning mineralisation, confirming that although mineralisation thins towards the 055^{O} azimuth direction (hole LV8024), mineralisation pitches and plunges towards the southeast, as noted by the thicker unit of sulphide intersected in hole LV8023.

A major dextral strike-slip fault to the south of the Level 7 ore zone, has displaced mineralisation by tens of metres to the southwest, which has complicated drill targeting from Cuddy 8.2. Future drilling will define the fault displacements.

Significantly, the drilling to date continues to demonstrate that thicker units of high-grade mineralisation occur within the current resource model at Level 7 which is the deepest of the main ore workings developed at Plomosas at approximately 240m below surface.

Table 1: Results for all holes drilled for the program.

Table 1. LEVEL 7 SOX Resource drilling results received, all holes (cut off 3% Zn)								
Hole ID	From (m)	To (m)	Inters* (m)	TW** (m)	Zn %	Pb %	Ag g/t	Comment
LV7065	12.00	15.30	3.30	3.21	24.80	8.31	68.78	Fine to medium grained semi-oxide massive sulphide with medium grained semi-massive mineralisation of pyrite-galena-sphalerite with carbonated patches.
LV7066					NSI	NSI	NSI	Disseminated sulphides in manto.
LV7067					NSI	NSI	NSI	Disseminated sulphides in manto.
LV7068					NSI	NSI	NSI	No sulphide mineralisation.
LV8023	34.30	39.40	5.10	3.74	14.20	5.39	48.68	Upper zone is medium grained semi-oxide massive sulphide mineralisation of pyrite-galena-sphalerite with carbonate patches widths of 20cm separated by variable waste. Lower zone is fine to medium grained semi-massive sulphide mineralisation with semi-oxide medium grained sphalerite-galena massive sulphide mineralisation with minor pyrite, strongly leached and vuggy texture
LV8024					NSI	NSI	NSI	Very thin stringers, strongly oxidised galena-sphalerite massive sulphide
LV8025	22.0	25.5	3.50	2.62	22.54	7.46	35.64	Medium grained semi-oxide massive sulphide mineralisation of pyrite-galena and sphalerite.
LV8026					NSI	NSI	NSI	Thin bands of medium grained, vuggy semi-massive sulphide mineralisation of sphalerite and galena, strongly leached and vuggy, (assays returned values below 3% Zn).

*Intervals of mineralisation <0.5m are logged as true downhole widths, with sampling done at a minimum of 0.5m.
**TW is True Width and represents the best estimate of the intercept based on the geological interpretation of the sequence.
NSI is No Significant Intersection

CHANNEL SAMPLING

As part of the resource upgrade, a sampling program targeting ore exposed in existing levels was completed as it would provide a more representative profile and be cheaper and faster than drilling. The program was planned to target the down dip ore projected between levels 910, 900 and 907 with the intention of converting the current Inferred Category to Indicated Category in an area of 35 x 32 meters located in the central zone of the SOX orebody. Mapping the lithology was conducted to identify the ore locations in each level and to select the left or right wall for sampling.

40 channels were taken perpendicular to bedding at a 2 to 3 metre spacing, including ore and waste with sample lengths between 1.5 to 0.5 meters for a total of 97 samples. This gives true width values across the sampled faces of mineralisation.

Sampling these levels showed that ore zones were robust and up to three metres in thickness. In some instance the ore zones exhibit strong to isoclinal folding that effectively thickens the ore zone. Channel sampling had targeted massive sulphide mineralisation in each of these levels and hole LV8023 had intersected ca. 5.1 metres of ore downdip from level 907. Mineralisation then continues below the mineralised interval intersected in LV8023.

Some significant assays results (true width) are shown below, with the total results for all samples in Table 2.

- **Sample LV913006: 2.2m @ 43.02% Zn, 13.5% Pb, 83.25g/t Ag**
- **Sample LV913012: 1.8m @ 36.61% Zn, 20.41% Pb, 139.22g/t Ag**
- **Sample LV907006: 1.9m @ 36.44% Zn, 19.36% Pb, 80.41g/t Ag**
- **Sample LV907005: 1.9m @ 35.18% Zn, 19.94% Pb, 79.9g/t Ag**
- **Sample LV907009: 1.8m @ 34.07% Zn, 27.96% Pb, 79.96g/t Ag**
- **Sample LV907010: 1.0m @ 32.68% Zn, 23.47% Pb, 99g/t Ag**
- **Sample LV913008: 2.5m @ 31.92% Zn, 23.68% Pb, 92.11g/t Ag**

The main zones targeted by drilling and channel sampling are shown in Figure 1, which illustrates the areas of Inferred that were drilled and sampled to convert to Indicated Category. Results from this drilling and channel sampling have converted sections of the Inferred Category resources to Indicated Category totalling 26,000 tonnes at 22.6% Zn, 12.8% Pb and 72.5g/t Ag.

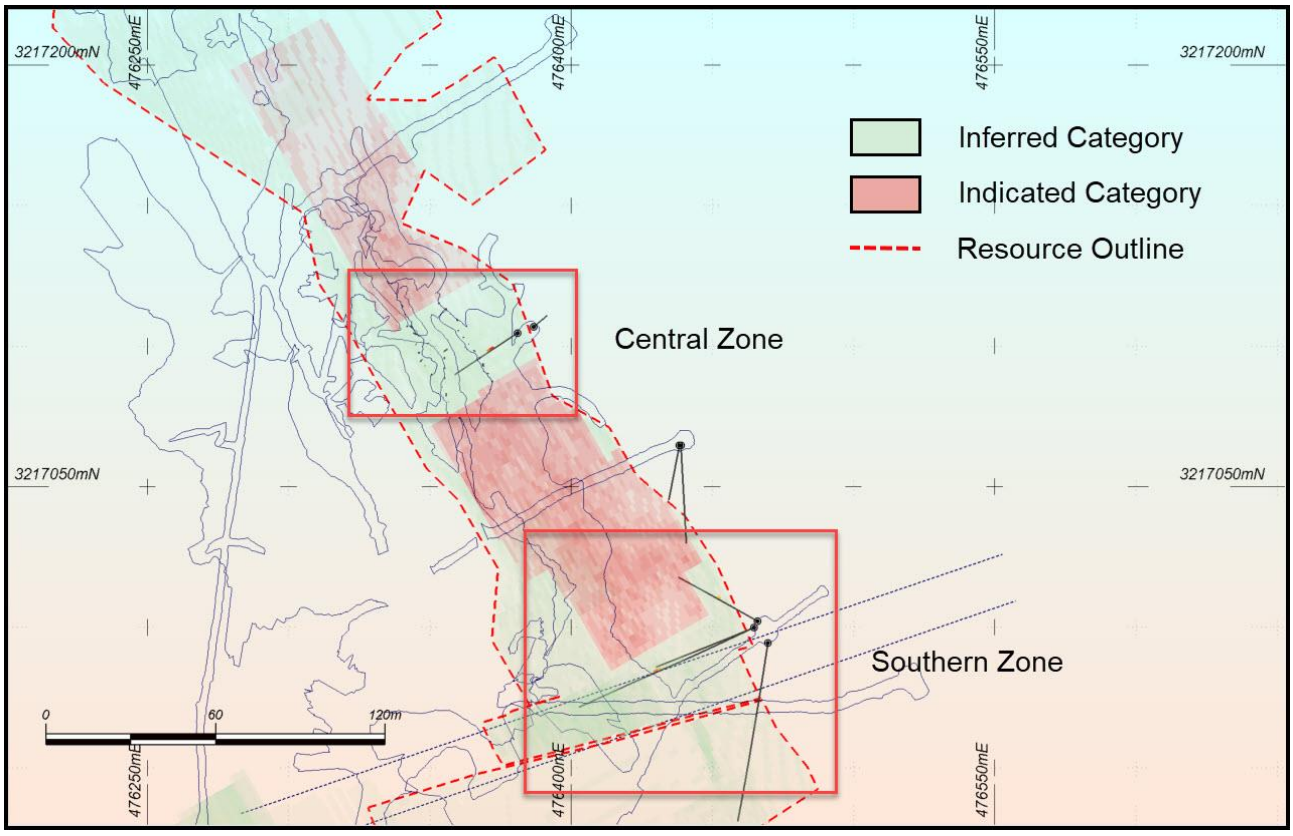

Figure 1: *Location of zones in the Level 7 Deeps SOX where drilling and channel sampling have taken place for the Inferred to Indicated Category upgrade. Channel sampling has been completed in the Central Zone only. Resource model shown here is the 2018 outline.*

The channel sampling and drilling completed to date, clearly demonstrates the presence of robust mineralisation in the inferred zones and continuous downdip which adds confidence to the extension of ore zones in these areas.

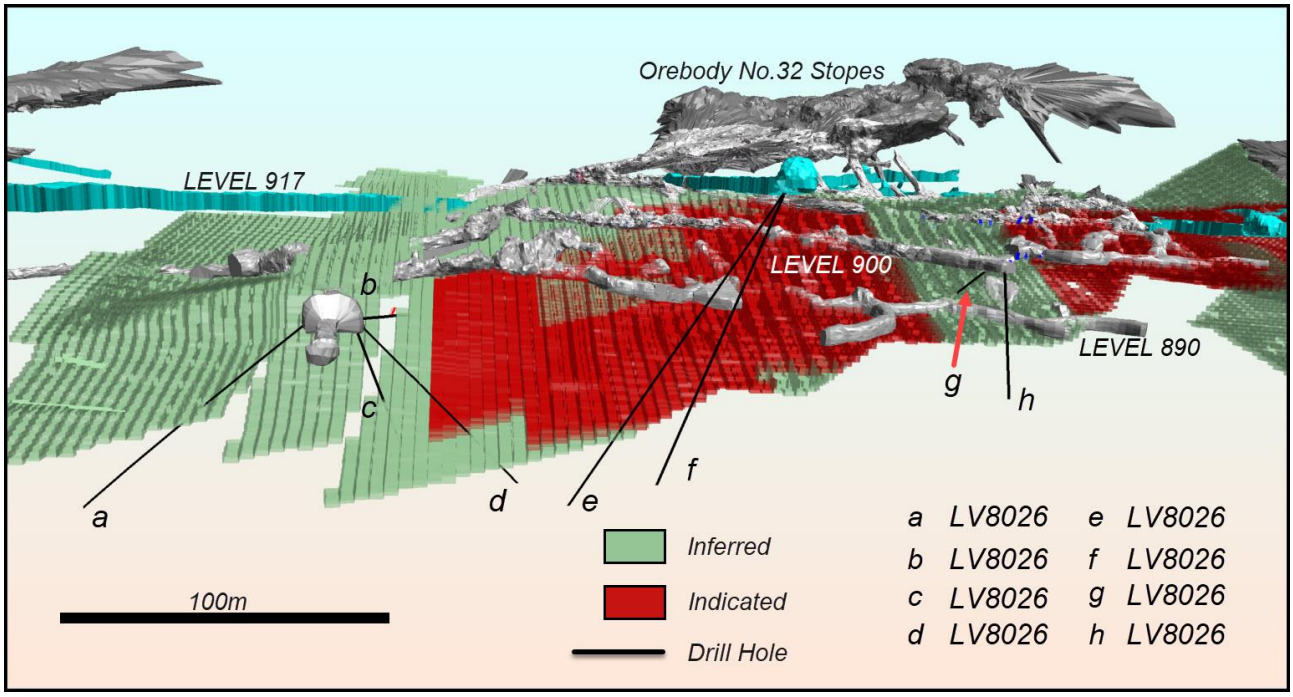

Figure 2: *3D view of drill hole traces in relation to the 2018 resource block model highlighting the areas of inferred and indicated categories.*

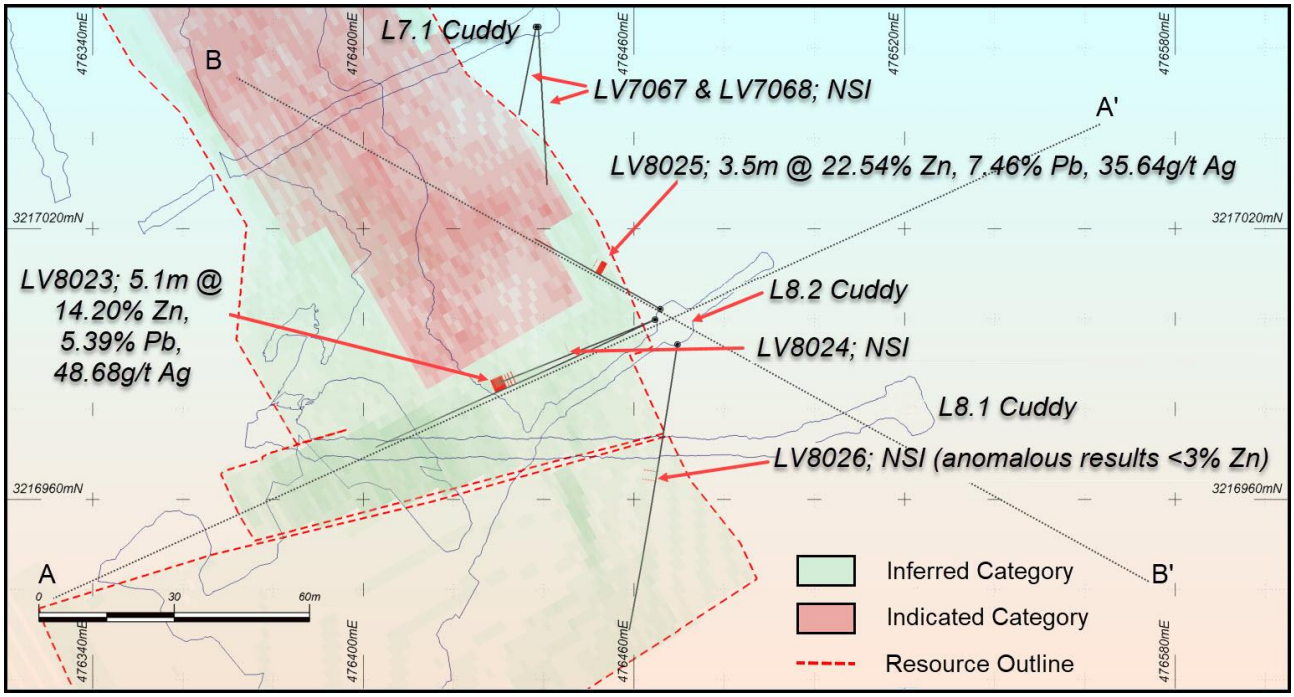

Figure 3: *Location and assays results for the drilling completed in the Southern Zone in relation to the 2018 resource model outline and relevant colour coded Inferred and Indicated areas. NSI indicates No Significant Intersection.*

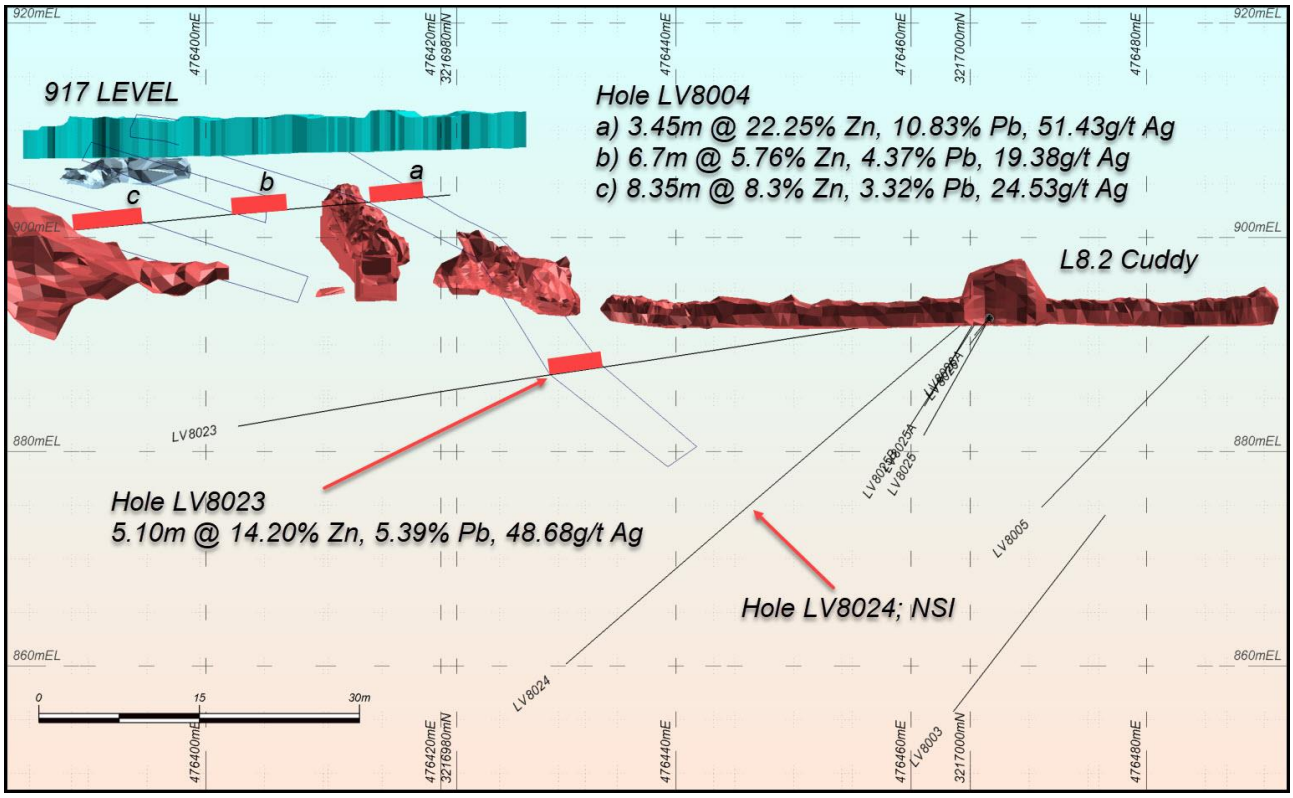

***Figure 4**: Section A - A' view showing hole LV8023 and LV8025. Note the rapid pinching of the ore zone in the 055-degree azimuth direction.*

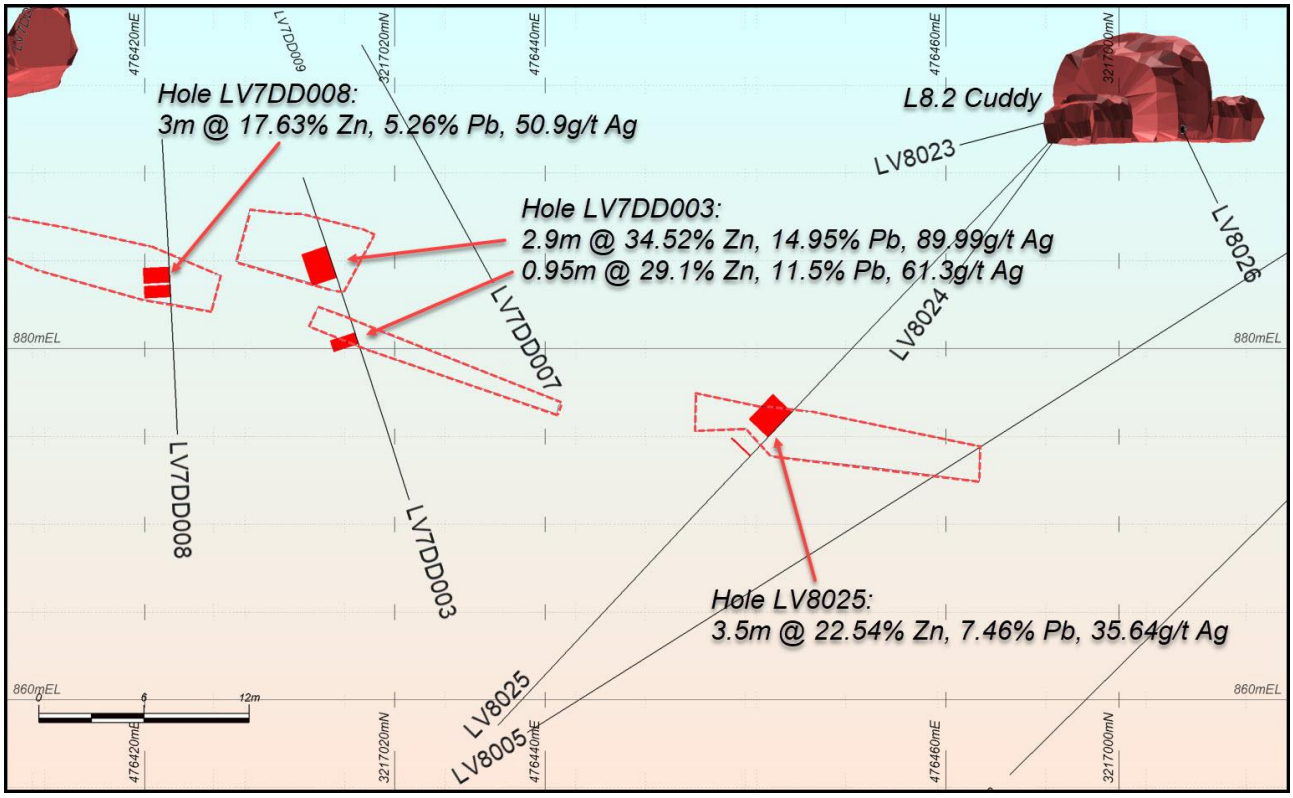

***Figure 5:** Section B - B' showing drillhole LV8025 with mineralisation intersected in the inferred portion of the 2018 resource model*

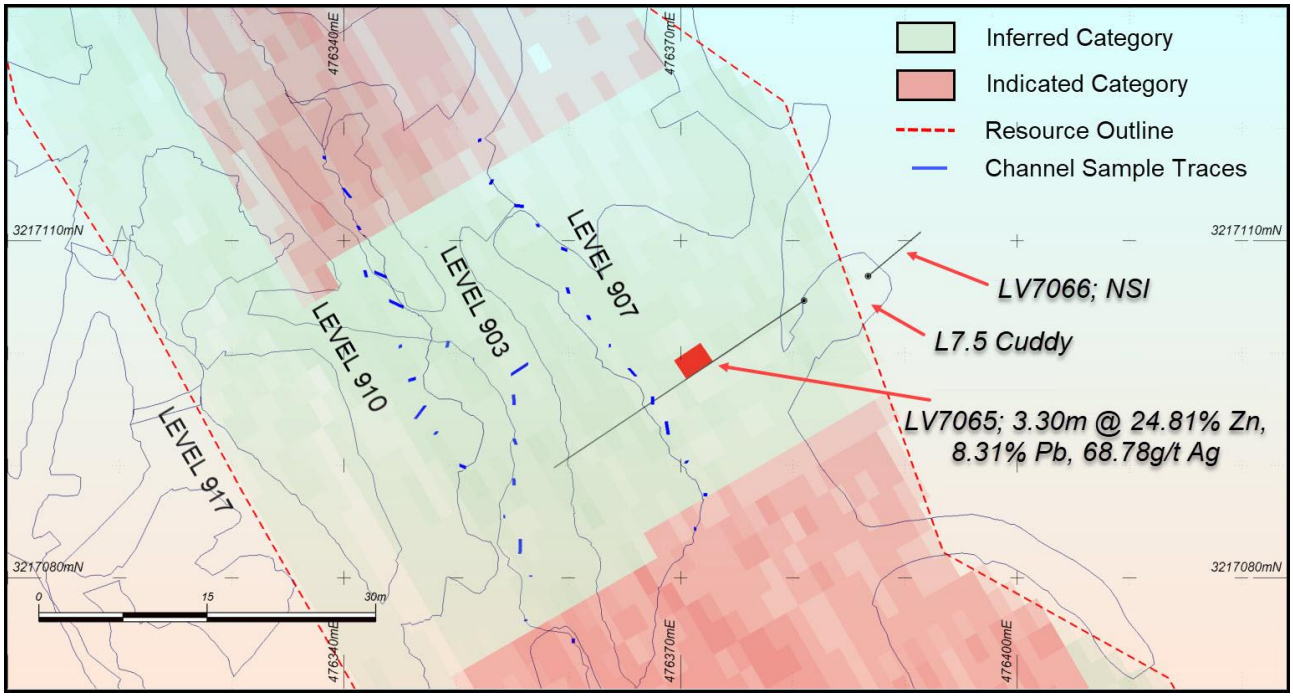

Figure 6: *Location and assays results for the drilling completed in the Central Zone in relation to the 2018 resource model outline and relevant colour coded Inferred and Indicated areas. NSI indicates No Significant Intersection.*

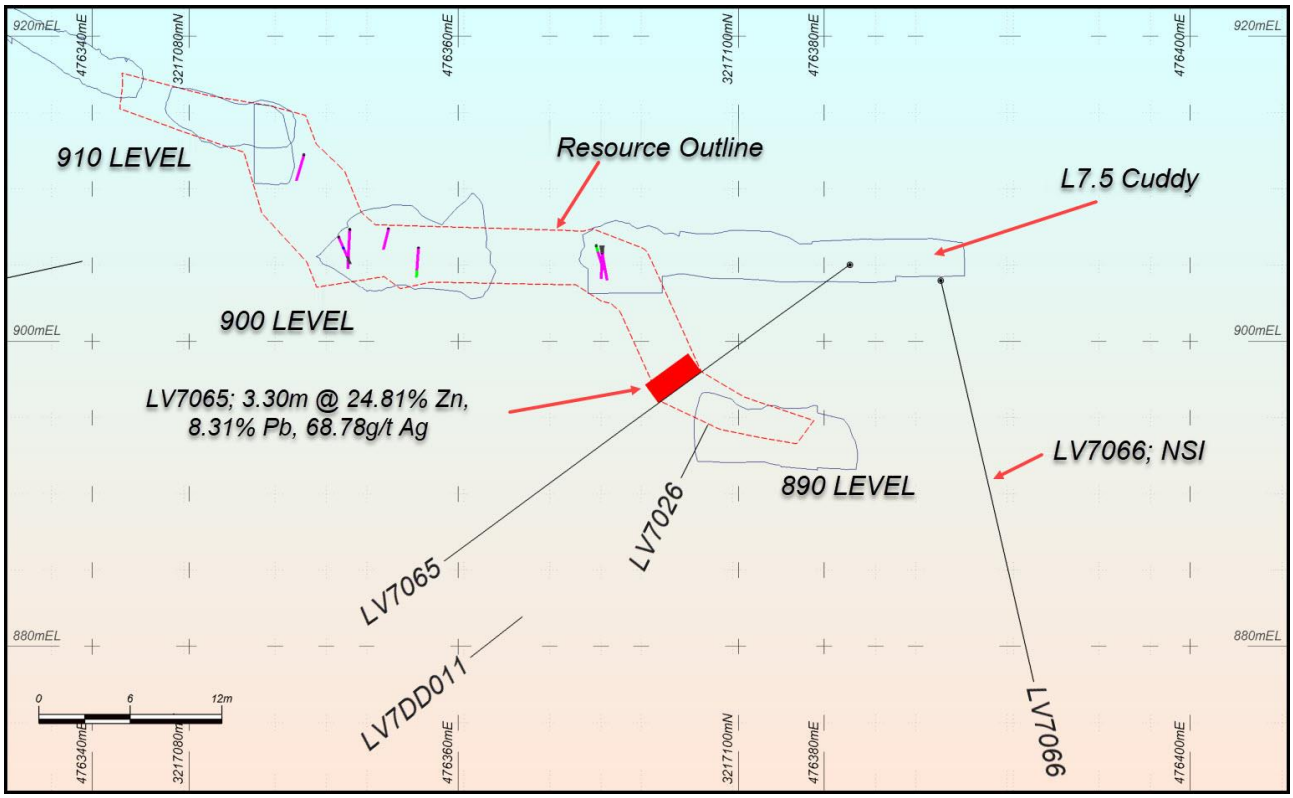

Figure 7: *Section through Central Inferred zone showing the locations and grade of holes LV7065 and LV7066 in relation to the 2018 inferred resource outline.*

Table 1: Resource category upgrade drilling statistics								
HoleID	**Easting WGS84**	**Northing WGS84**	**Elev (m)**	**Dip**	**Azimuth WGS**	**RC (m)**	**Diamond (m)**	**Total Depth (m)**
LV7065	476380.984	3217104.670	905.02	-35.7	236.25	0	33.00	33
LV7066	476386.717	3217106.859	903.97	-76.8	50.05	0	27.00	27
LV7067	476438.829	3217064.675	918.22	-60.2	176.85	0	70.50	70.5
LV7068	476438.320	3217064.690	918.27	-70.6	190.95	0	60.00	60
LV8023	476464.723	3216999.842	893.1	-8.7	244.76	0	69.00	69
LV8024	476464.748	3216999.866	892.34	-40.2	247.36	0	49.50	49.5
LV8025	476465.893	3217002.182	892.306	-46.2	299.47	0	46.50	46.5
LV8026	476469.642	3216994.308	892.21	-35.6	188.77	0	79.50	79.5

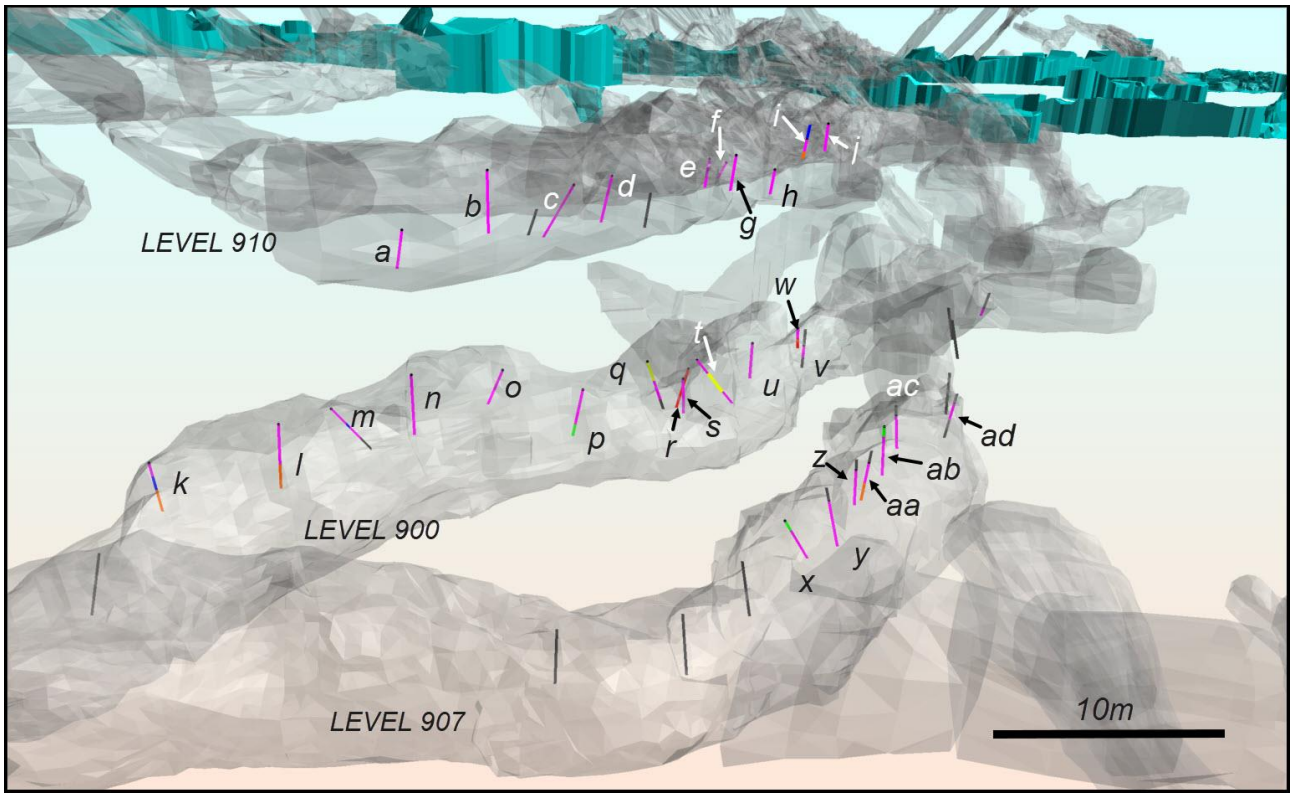

Figure 8: *Oblique view of channel sample locations taken on respective levels located in the central inferred zone. Refer to table 3 for results of channels marked accordingly.*

Table 2: Significant mineralised intervals for channel samples. Refer to Figure 8 for locations of the channels.		
ID#	**Channel**	**Mineralised Interval**
a	LV913012	1.8m @ 36.61% Zn, 20.41% Pb, 139.22g/t Ag
b	LV913011	2.8m @ 21.04% Zn, 17.32% Pb, 84.06g/t Ag
c	LV913009	3.0m @ 31.82% Zn, 16.8% Pb, 87.37g/t Ag
d	LV913008	2.5m @ 31.92% Zn, 23.68% Pb, 92.11g/t Ag
e	LV913006	2.2m @ 43.02% Zn, 13.5% Pb, 83.25g/t Ag
f	LV913004	1.1m @ 24.49% Zn, 17.75% Pb, 109g/t Ag
g	LV913005	2.4m @ 31.81% Zn, 15.13% Pb, 72.8g/t Ag
h	LV913003	1.5m @ 24.02% Zn, 25.46333% Pb, 252g/t Ag
i	LV913002	1.3m @ 24.46% Zn, 12.68% Pb, 61.58g/t Ag
j	LV913001	1.8m @ 24.71% Zn, 18.1% Pb, 72.16g/t Ag
k	LV900002	1.8m @ 11.32% Zn, 4.934% Pb, 98.96g/t Ag
l	LV900003	2.4m @ 16.21% Zn, 4.72% Pb, 34.4g/t Ag
m	LV900004	1.6m @ 18.53% Zn, 17.89% Pb, 76.5g/t Ag
n	LV900005	2.6m @ 29.92% Zn, 16.96% Pb, 74.73g/t Ag
o	LV900006	1.5m @ 29.69% Zn, 13.8% Pb, 98.84g/t Ag
p	LV900007	2.0m @ 20.22% Zn, 14.53% Pb, 72.19g/t Ag
q	LV900008	2.0m @ 13.15% Zn, 7.21% Pb, 45.55g/t Ag
r	LV900009	2.5m @ 21.81% Zn, 9.78% Pb, 56.04g/t Ag
s	LV900010	1.8m @ 30.56% Zn, 14.7% Pb, 111.53g/t Ag
t	LV900011	2.2m @ 15.07% Zn, 4.15% Pb, 22.55g/t Ag
u	LV900012	2.0m @ 27.58% Zn, 20.53% Pb, 134g/t Ag
v	LV900013	1.2m @ 18.45% Zn, 7.41% Pb, 41.5g/t Ag
w	LV900014	0.8m @ 29.23% Zn, 22.51% Pb, 76.2g/t Ag
x	LV907004	2.0m @ 24.73% Zn, 21.09% Pb, 89.13g/t Ag
y	LV907005	1.9m @ 35.18% Zn, 19.94% Pb, 79.9g/t Ag
z	LV907006	1.9m @ 36.44% Zn, 19.36% Pb, 80.41g/t Ag
aa	LV907007	1.7m @ 18.79% Zn, 14.44% Pb, 67.32g/t Ag
ab	LV907008	2.4m @ 27.78% Zn, 18.36% Pb, 81.64g/t Ag
ac	LV907009	1.8m @ 34.07% Zn, 27.96% Pb, 79.96g/t Ag
ad	LV907010	1.0m @ 32.68% Zn, 23.47% Pb, 99g/t Ag

Table 4: Complete list of all channels samples with assay results									
Site No	From (m)	To (m)	Width (m)	Sample No	Zn+Pb Comb (%)	Zn (%)	Pb (%)	Cu (%)	Ag (%)
LV900001	0	1	1	250951	0.23	0.12	0.11	0.00	1.5
LV900001	1	2	1	250952	0.24	0.13	0.11	0.00	2.2
LV900002	0	0.5	0.5	250953	32.32	27.00	5.32	0.02	56.8
LV900002	0.5	1	0.5	250954	2.22	1.81	0.41	0.00	234
LV900002	1	1.8	0.8	250955	14.99	7.47	7.52	0.01	40.9
LV900003	0	1.5	1.5	250956	25.32	22.27	3.05	0.02	26.3
LV900003	1.5	2.4	0.9	250957	13.61	6.11	7.50	0.02	47.9
LV900004	0	0.8	0.8	250959	46.47	23.09	23.38	0.02	93.6
LV900004	1	1.6	0.6	250960	26.38	13.98	12.40	0.01	59.4
LV900004	1.6	2.2	0.6	250961	0.49	0.23	0.27	0.00	4.8
LV900005	0	1	1	250962	35.49	25.24	10.25	0.01	11.9
LV900005	1	1.8	0.8	250963	50.02	32.62	17.40	0.02	108
LV900005	1.8	2.6	0.8	250964	58.02	33.10	24.92	0.02	120
LV900006	0	0.8	0.8	250965	52.48	33.08	19.40	0.02	147
LV900006	0.8	1.5	0.7	250966	33.22	25.82	7.40	0.01	43.8
LV900007	0	0.8	0.8	250967	44.79	24.25	20.54	0.01	99
LV900007	0.8	1.5	0.7	250968	44.53	27.63	16.90	0.02	84.9
LV900007	1.5	2	0.5	250970	5.01	3.40	1.61	0.00	11.5
LV900008	0	1	1	250971	8.80	6.89	1.91	0.00	24.3
LV900008	1	2	1	250972	31.91	19.41	12.50	0.01	66.8
LV900008	2	2.5	0.5	250973	0.34	0.17	0.17	0.00	1.4
LV900009	0	0.8	0.8	250974	54.27	40.22	14.05	0.01	81.1
LV900009	0.8	1.8	1	250975	8.89	4.49	4.40	0.00	30.7
LV900009	1.8	2.5	0.7	250976	38.11	25.51	12.60	0.01	63.6
LV900010	0	1	1	250978	58.26	39.01	19.25	0.04	153
LV900010	1	1.8	0.8	250979	29.01	20.00	9.01	0.01	59.7
LV900011	0	1	1	250980	20.01	15.52	4.49	0.00	23.2
LV900011	1	2.2	1.2	250981	18.56	14.70	3.86	0.00	22
LV900012	0	1	1	250982	42.35	23.95	18.40	0.02	109
LV900012	1	2	1	250983	53.86	31.20	22.66	0.02	159
LV900013	0	0.6	0.6	250984	34.40	20.70	13.70	0.01	68.2
LV900013	0.6	1.2	0.6	250985	17.32	16.19	1.13	0.00	14.8
LV900014	0	1	1	250986	0.87	0.38	0.50	0.00	1.3
LV900014	1	1.8	0.8	250987	51.74	29.23	22.51	0.01	76.2
LV900014	1.8	2.5	0.7	250989	0.70	0.26	0.44	0.00	2.3
LV907001	0	0.8	0.8	250990	0.71	0.27	0.44	0.00	2.1
LV907001	0.8	1.7	0.9	250991	0.89	0.30	0.59	0.00	3

LV907002	0	0.8	0.8	250992	0.62	0.34	0.28	0.00	1.5
LV907002	0.8	1.6	0.8	250993	0.38	0.16	0.22	0.00	0.9
LV907003	0	1	1	250995	0.46	0.20	0.26	0.00	1.9
LV907003	1	1.7	0.7	250996	0.30	0.15	0.16	0.00	0.6
LV907004	0	0.5	0.5	250997	6.75	4.41	2.34	0.00	11.9
LV907004	0.5	1.2	0.7	250998	56.26	33.49	22.77	0.01	101
LV907004	1.2	2	0.8	250999	61.10	29.77	31.33	0.02	127
LV907005	0	0.5	0.5	251000	1.43	0.80	0.64	0.00	3.5
LV907005	0.5	1.6	1.1	251001	56.32	34.71	21.61	0.01	86.3
LV907005	1.6	2.4	0.8	251002	53.47	35.82	17.65	0.00	71.1
LV907006	0	0.5	0.5	251006	0.83	0.39	0.44	0.00	1.5
LV907006	0.5	1.5	1	251008	55.14	36.14	19.00	0.01	80.5
LV907006	1.5	2.4	0.9	251009	56.53	36.78	19.75	0.01	80.3
LV907007	0	0.5	0.5	251010	0.56	0.32	0.24	0.00	1.5
LV907007	0.5	1.4	0.9	251011	52.76	30.81	21.95	0.01	106
LV907007	1.4	2.2	0.8	251012	11.26	5.26	6.00	0.00	23.8
LV907008	0	0.5	0.5	251013	5.08	4.78	0.30	0.00	5.6
LV907008	0.5	1.5	1	251014	56.04	32.97	23.07	0.02	126
LV907008	1.5	2.4	0.9	251016	57.95	34.79	23.16	0.01	74.6
LV907009	0	0.5	0.5	251017	0.85	0.42	0.43	0.00	3.8
LV907009	0.5	1.5	1	251018	60.85	31.91	28.94	0.01	83.6
LV907009	1.5	2.3	0.8	251019	63.52	36.78	26.74	0.01	75.4
LV907010	0	0.5	0.5	251020	1.39	0.70	0.69	0.00	5.7
LV907010	0.5	1.5	1	251021	56.15	32.68	23.47	0.01	99
LV907010	1.5	2.5	1	251022	1.67	1.03	0.64	0.00	6.4
LV907011	0	1.5	1.5	251023	0.61	0.23	0.38	0.00	2.3
LV907011	1.5	2.3	0.8	251024	0.87	0.49	0.38	0.00	1.8
LV907012	0	1	1	251025	1.19	0.47	0.72	0.00	3.6
LV907012	1	2	1	251026	1.08	0.49	0.59	0.00	3.3
LV907013	0	0.8	0.8	251028	0.67	0.40	0.27	0.00	2.2
LV907013	0.8	1.85	1.05	251029	0.91	0.58	0.33	0.00	1.9
LV907014	0	0.6	0.6	251030	0.71	0.36	0.36	0.00	1.8
LV907014	0.6	1	0.4	251031	0.31	0.13	0.19	0.00	1.5
LV907014	1	1.45	0.45	251032	48.14	31.39	16.75	0.01	63
LV913001	0	1	1	251033	59.04	34.07	24.97	0.01	95.4
LV913001	1	1.8	0.8	251034	22.54	13.02	9.52	0.00	43.1
LV913002	0	1	1	251035	2.87	1.73	1.14	0.00	9.4
LV913002	1	1.8	0.8	251036	50.79	32.59	18.20	0.01	86.5
LV913002	1.8	2.3	0.5	251037	15.30	11.44	3.86	0.00	21.7
LV913003	0	1	1	251039	49.70	23.53	26.17	0.03	268
LV913003	1	1.5	0.5	251040	49.05	25.00	24.05	0.02	220
LV913004	0	1.1	1.1	251041	42.24	24.49	17.75	0.01	109

LV913005	0	1.2	1.2	251042	48.90	33.20	15.70	0.01	81.7
LV913005	1.2	2.4	1.2	251043	44.97	30.42	14.55	0.00	63.9
LV913006	0	1.1	1.1	251044	57.76	44.96	12.80	0.01	83.4
LV913006	1.1	2.2	1.1	251046	55.27	41.07	14.20	0.01	83.1
LV913007	0	1	1	251050	0.46	0.20	0.26	0.00	1.4
LV913007	1	1.9	0.9	251051	0.38	0.29	0.09	0.00	0.8
LV913008	0	1	1	251052	57.76	29.32	28.44	0.01	95.8
LV913008	1	1.8	0.8	251053	52.75	35.25	17.50	0.01	89.6
LV913008	1.8	2.5	0.7	251054	55.75	31.81	23.94	0.01	89.7
LV913009	0	1	1	251055	51.77	36.47	15.30	0.01	92.5
LV913009	1	2	1	251056	41.71	30.81	10.90	0.01	73.4
LV913009	2	3	1	251057	52.38	28.19	24.19	0.02	96.2
LV913010	0	1.3	1.3	251059	1.26	0.71	0.55	0.00	2.8
LV913011	0	1	1	251060	48.81	23.95	24.86	0.03	125
LV913011	1	2	1	251061	36.38	21.98	14.40	0.02	69.4
LV913011	2	2.8	0.8	251062	27.76	16.21	11.55	0.01	51.2
LV913012	0	1	1	251063	58.44	34.95	23.49	0.03	149
LV913012	1	1.8	0.8	251064	55.24	38.69	16.55	0.03	127

The Managing Director of CZL Brad Marwood advised "These results have allowed for the reclassification of over 26,000t of very high-grade mineralisation from Inferred to Indicated category Mineral Resources.

Further the drilling has provided better definition of the main fault offset in the Level 7 SOX orebody. The down dip extension of the identified mineralisation provides for near term targets to be followed up with future drilling."

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

For further information please contact:

Brad Marwood
Managing Director
08 9322 3406

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 commenced 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.

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. Mr. Boda is a Member of the 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 the report of the matters based on their information in the form and context in which it appears.

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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Sampling of cut channels was conducted by locating a sampling line using spray paint across mineralisation and ensuring that the line began in hanging wall host, spanned mineralisation and terminated in footwall host. • The areas to be sampled was scaling and washed to ensure the sampling areas was safe and visible. The area was marked start/end of each sample describing lithology, mineralisation and structural information. Sample runs were adjusted so that each sample end terminated on a lithological/mineralised contact and the next sample run began at a lithological/mineralised contact. Sample runs were adjusted so the minimum sample length was 0.5m and the maximum sample length was 1.2m. Once mark-up is complete, sampling crew used an electric rock saw to cut two parallel lines spaced 5 to 8 cm apart with a depth of around 3 cm. The sample was then broken out using a hammer and chisel. To avoid contamination, sampling of each channel began from the end point of the sample and a catch sheet was placed at the foot of the sample to catch all the material that fell from the sampling process. This sample material was then bagged and tagged. 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. • 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. • Lithological intervals are logged as per geology, while sampling runs are taken at a minimum of 0.5m. Mineralised intervals less than 0.5m are incorporated into a 0.5m sample run. • 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.

Criteria	JORC Code explanation	Commentary
		Duplicates were quarter core, sampled from the half sent for analysis.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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%. • 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,*	• 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

Criteria	JORC Code explanation	Commentary
	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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	limit results for the ore grade will be reassayed by titration methods 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. Geostatistics 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 (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• 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 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 allow, 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 bias 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

Criteria	JORC Code explanation	Commentary
		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 laboratory's 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 three adjoining tenements, La Verdad (T-218242), El Olvido (T-225527) and Ripley (T-218272). • Consolidated Zinc Ltd owns 100% of the Plomosas project.
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

Criteria	JORC Code explanation	Commentary
		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 (e.g. 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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No data aggregate methods were applied to the results.
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 (e.g. 'down hole length, true width not known').*	• Appropriate information has been included in the report.
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*	• No other relevant data has been reported

Criteria	JORC Code explanation	Commentary
	rock characteristics; potential deleterious or contaminating substances.	
Further work	• *The nature and scale of planned further work (e.g. 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

(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.*	• No 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*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	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.* • *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*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	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 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*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	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.*	