

27 April 2020

Dear Optionholder,

On 23 March 2020, Consolidated Zinc Limited (**Company**) announced that it is offering eligible shareholders the opportunity to acquire fully paid ordinary shares in the Company (**Shares**) through a non-renounceable pro rata entitlement offer of one (1) Share for every three (3) Shares held by eligible shareholders on 30 April 2020 (**Record Date**) at an issue price of \$0.003 per Share (**Issue Price**) to raise approximately \$1,725,000 (before costs), together with one (1) free attaching option exercisable at \$0.006 on or before the date that is three (3) years from the date of issue (**Option**) for every Share subscribed for and issued (**Entitlement Offer**).

The proceeds of the Entitlement Offer will be used by the Company to undertake exploration of gold prospects as the Company's Plomosas Project, to repay unsecured loans, working capital and general corporate expenditure.

The Entitlement Offer is fully underwritten by Pinnacle Corporate Finance Pty Ltd (**Underwriter**).

The Entitlement Offer is being made pursuant to a prospectus. A copy of the prospectus, which contains details of the Entitlement Offer, is available on the ASX website <http://www.asx.com.au>.

The purpose of this letter is to give you notice that if you wish to participate in the Entitlement Offer with respect to your options, you must exercise your options **before the Record Date**.


To ensure that your new Shares are allotted before the Record Date, your option exercise notice together with the correct monies must be received by the Company's share registry, Link Market Services Limited no later than 28 April 2020. Any notice of exercise of option received after this date cannot be assured of allotment before the Record Date.

If you do not wish to participate in the Entitlement Offer (in respect of your options) you do not need to take any action.

Before deciding whether to exercise all or any of your options, you should consider the terms of the Entitlement Offer carefully and if in any doubt, consult with your professional advisor.

If you require any further information please contact the Company Secretary on +61 (8) 9322 3406.

Yours faithfully



Anthony Italiano
Company Secretary
CONSOLIDATE ZINC LIMITED