CONSOLIDATED ZINC LTD

29 April 2020

Updated Mineral Resource Estimate

- **Updated independent Mineral Resource estimate, 964,000 tonnes @ 13.2% Zn and 3.5% Pb for 161,000 tonnes of contained metal in Indicated and Inferred categories.**
- **Total Level 7 Mining Area tonnage converted from Inferred to Indicated, 26,000t at 22.6% Zn, 12.8% Pb and 72.5g/t Ag, with an overall reduction in Indicated due to re-interpretation and mining.**
- **Re-interpretation of the geology for Plomosas has strengthened the understanding of the deposit, will assist in target generation to increase the resource and focus exploration work.**

Consolidated Zinc Limited (ASX:CZL; "Consolidated Zinc" or "the company") is pleased to announce its updated Mineral Resource estimate for its Plomosas zinc-lead-silver project in northern Mexico.

The resource estimate, independently completed by Ashmore Advisory Pty Ltd ("ASH") in accordance with the JORC (2012) reporting guidelines, contains 964,000 tonnes @ 13.2% Zn and 3.5% Pb for 161,000 tonnes of contained metal in Indicated and Inferred categories.

This is a decrease of 18% of resource tonnage and 14% contained zinc metal over the previous resource estimate announced to the ASX on 30 April 2018. The reduction in Mineral Resource derives from the reinterpretation of the geological models of Tres Amigos and Level 7 Semi-oxide ("SOX") orezones. Mineralised horizons of Tres Amigos are not as continuous as the 2018 model had predicted and the Level 7 SOX orezone is cut by numerous post-mineralisation faults that minimally displace the orebody down dip and along strike.

Figure 1: *Location of Plomosas Mine, Mexico*

Mineral Resource classification was updated in Tres Amigos and Level 7 due to additional data and mining operations. At Level 7, channel sampling and diamond drilling allowed a larger geospatial extent to be classified as Indicated Mineral Resource however, due to changes in the geological interpretation, there was a reduction in total Indicated tonnage at Level 7. The additional mineralisation reported as Indicated that would otherwise be Inferred without the additional diamond drilling during 2020 at Level 7, amounts to 26,000t at 22.6% Zn, 12.8% Pb and 72.5g/t Ag. At Tres Amigos, the interpretation between the 2018 and 2020 estimates is quite different as a result of mining operations, which has resulted in a reduction in tonnage for the Indicated portion and global tonnage of the deposit.

Table 1 details the Mineral Resources by area and category whose locations are illustrated in Figure 2.

Mineral Resource Details and Parameters

Results of the independent Mineral Resource estimate by ASH for the Project are tabulated in the Statement of Mineral Resources in Table 1**.** The Statement of Mineral Resources is reported in accordance with the requirements of the 2012 JORC Code and is therefore suitable for public reporting.

The Mineral Resource is reported above a cut-off grade of 3% Zn which was based on the mining cut-off grade for the operation.

Table 1: Plomosas April 2020 Mineral Resources Estimate
Mining Depleted to 31 December, 2019
(3% Zn cut off)

Prospect	Indicated Mineral Resource						
	Tonnage t	Zn %	Pb %	Ag g/t	Zn t	Pb t	Ag Oz
Level 7	85,000	19.7	9.5	57.7	17,000	8,000	157,000
Tres Amigos	42,000	7.7	2.3	12.0	3,000	1,000	16,000
Tres Amigos North	38,000	7.8	3.6	13.1	3,000	1,000	16,000
Total	**165,000**	**13.9**	**6.3**	**35.7**	**23,000**	**10,000**	**189,000**
Prospect	**Inferred Mineral Resource**						
	Tonnage t	**Zn %**	**Pb %**	**Ag g/t**	**Zn t**	**Pb t**	**Ag Oz**
Level 7	146,000	13.6	6.4	31.7	20,000	9,000	149,000
Tres Amigos	439,000	14.0	1.2	11.6	62,000	5,000	163,000
Carola	59,000	11.5	5.1	31.4	7,000	3,000	60,000
Las Espadas	77,000	10.5	4.2	14.8	8,000	3,000	36,000
Tres Amigos North	78,000	10.1	3.6	16.7	8,000	3,000	42,000
Total	**799,000**	**13.0**	**3.0**	**17.5**	**104,000**	**24,000**	**450,000**
Prospect	**Total Mineral Resource**						
	Tonnage t	**Zn %**	**Pb %**	**Ag g/t**	**Zn t**	**Pb t**	**Ag Oz**
Level 7	231,000	15.8	7.6	41.2	37,000	17,000	306,000
Tres Amigos	481,000	13.5	1.3	11.6	65,000	6,000	179,000
Carola	59,000	11.5	5.1	31.4	7,000	3,000	60,000
Las Espadas	77,000	10.5	4.2	14.8	8,000	3,000	36,000
Tres Amigos North	116,000	9.4	3.6	15.5	11,000	4,000	58,000
Total	**964,000**	**13.2**	**3.5**	**20.6**	**127,000**	**34,000**	**639,000**

Note: The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a full-time employee of ASH and a Member of the AIG. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at April 2020. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

The Mineral Resource has been estimated in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Geoscientists and Minerals Council of Australia (The JORC Code 2012).

A detailed discussion of the methodology and parameters used in estimating the Mineral Resources is provided in sections below along with an analysis of drilling, sampling and laboratory procedures and QA/QC protocols.

In summary:

- Ordinary Kriging (OK) was used to estimate average block grades using Surpac software and parameters derived from modelled variograms. Parent block sizes were 10m x 5m x 2.5m;
- Linear grade estimation was deemed suitable due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 20m along strike and 30m down-dip;
- The Mineral Resource estimate has been constrained by the wireframed mineralised envelope, is undiluted by external waste and reported above a Zn cut-off grade of 3%;
- The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling of less than 20m by 20m, and where the continuity and predictability of the mineralised units was assisted with development drives, along with mapping and channel sampling to assist with structural interpretation. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m and less than 40m by 40m; where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

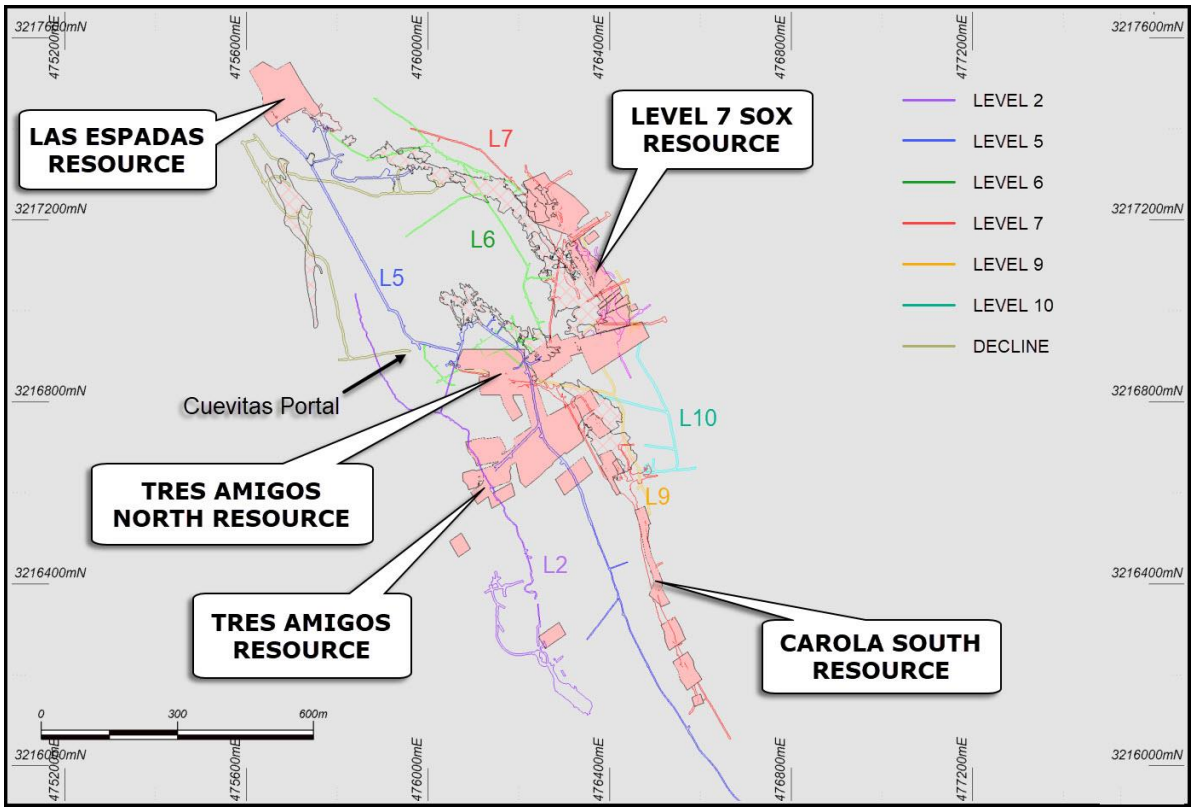

Figure 2: *Plan view of the Plomosas mine showing location of the underground development and updated resource outlines. Resource definition work areas referred to in the text including Level 7 and Tres Amigos are identified. Figure 3 provides a schematic cross section through the mine and geological sequence*

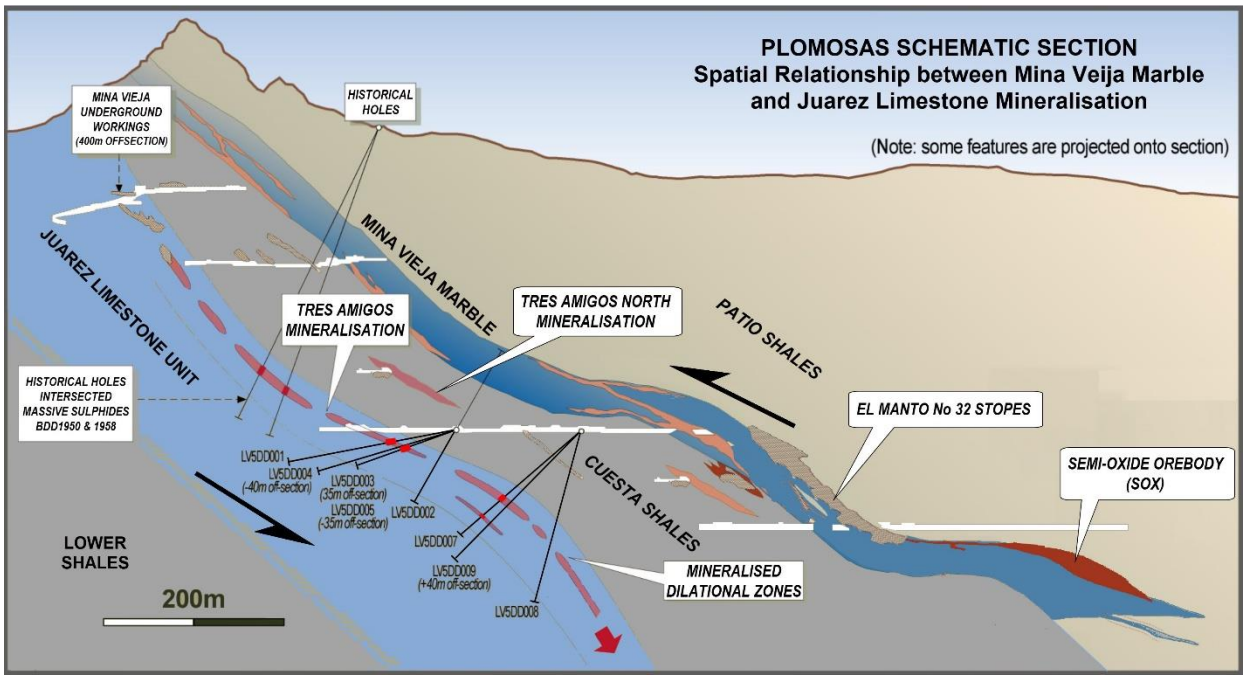

Figure 3: *Schematic cross-section through the Plomosas mine, looking to the northwest*

Geology and Geological Interpretation

Level 7

Mineralisation in the Level 7 SOX is structurally controlled with a plunge component of approximately 20°-30° to the southeast along a shallow dipping plane defined by the Mina Vieja Manto unit. Economic mineralisation in this system is coincident with flexures that host the thicker, high grade mineralisation. The structural setting of the Plomosas mineralisation also exhibits boudinaging that tends to create pinch-and-swell structures both down-dip (in the plunge-direction) and along strike.

The Level 7 Resource represents sulphide mineralisation that has been affected by late-stage oxidation by oxygenated water flowing through localised faulting. This manto-style sulphide mineralisation is present as 'kernels' within rinds of oxidised sulphides which can require a different metallurgical process to that of pure fresh sulphides as found in the Tres Amigos Resource.

Structural mapping at the Level 7 SOX has confirmed that these northeast faults have moved and jostled ore blocks up and down along the strike direction, making extraction of ore a challenging exercise. The movement of these blocks are no more than three to four metres in the vertical direction, as illustrated in Figure 4.

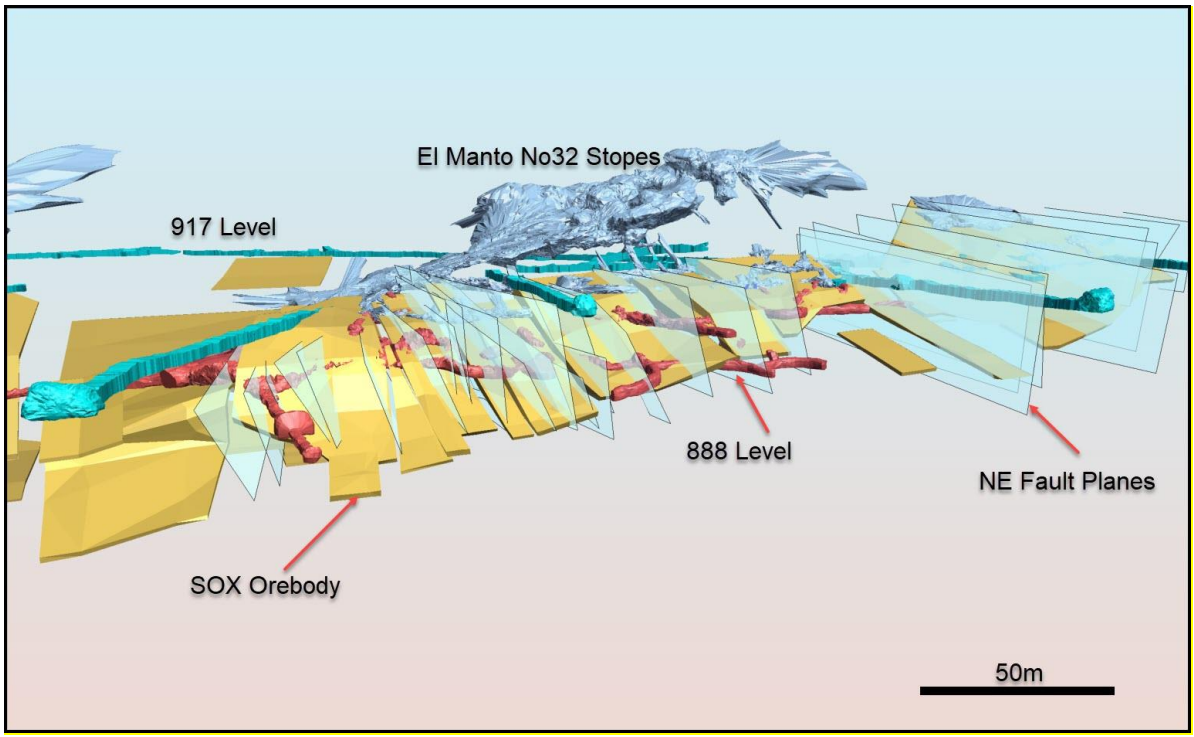

Figure 4: *3D Perspective View of the Level 7 Deeps mineralisation showing resource wireframe and fault planes that jostle ore blocks along the dislocations. Although movement of the ore blocks is minimal at around three to four metres, it has proved to be challenging to mining operations.*

Tres Amigos

Additional mineralised structures have been previously defined in the underlying competent Juarez Limestone Unit (refer to Figure 3), occurring in the footwall to the Mina Vieja Marble. These are more discrete dilatant zones, commonly occurring as dilational sets or thin non-continuous units within the limestone.

The middle and lower zones are a product of a shear zone developed during the thrusting phase, with the shear recognisable as deformed limestone with quartz-sericite alteration. The shear can still be observed, without mineralisation being present.

The shear zone is a host to these 'string-of-pearls' pods of ore, which tend to orientate themselves to the southeast at around 130 – 140° along an open fold plane, which is defined by the surface contact of the Juarez Limestone . The geometry of the mineralised dilatants zones are such that the long-axis of the dilatants pitch and plunge 130 – 140° to 20° along a 055° dipping plane. These repeat in an en-echelon array, migrating southeast along the plane as shown in Figure 15.

For this reason, the Tres Amigos ore zones are discontinuous and poddy along the main hosting structural shear.

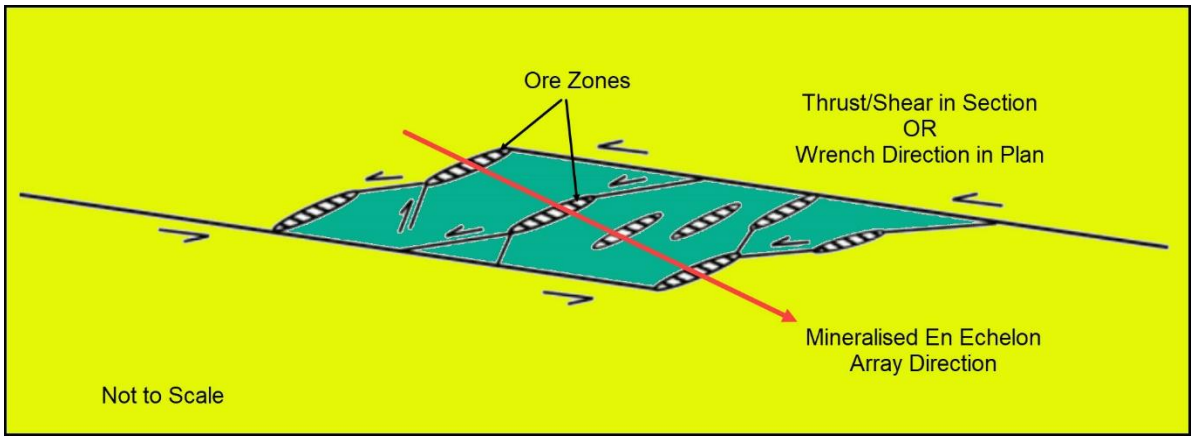

Figure 5: *Diagram illustrating the complex nature of the shearing that occurs at Tres Amigos. This diagram can be looked at either as section of plan view. In section, the dilatational zones are seen to be offset and non-continuous with each ore zone at a different level. In plan view, the wrenching is consistent with the development of the kinking as discussed in the structural section, as one side of the kink, translates at a different rate to the other side, creating a rotational effect and coincident dilatational zones.*

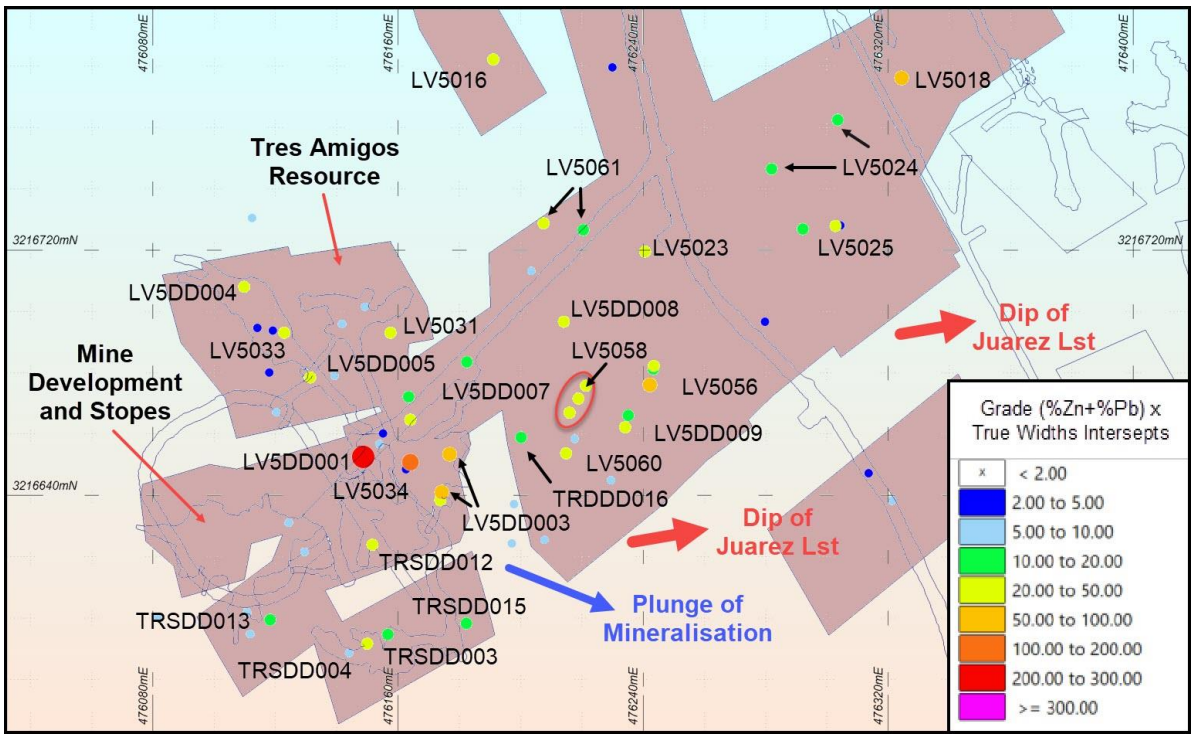

Figure 6: *Plan view of increased Tres Amigos Mineral Resource wireframed solids showing drillhole traces and intercepts.*

The geological setting and mineralisation styles in Plomosas is continually being defined as drilling and additional data is collected and the geological model is updated. As evidenced at Las Espadas and Carola South this information will determine the future exploration procedures and techniques required to develop targets that will result in additional tonnes and grade for future mill plant feed.

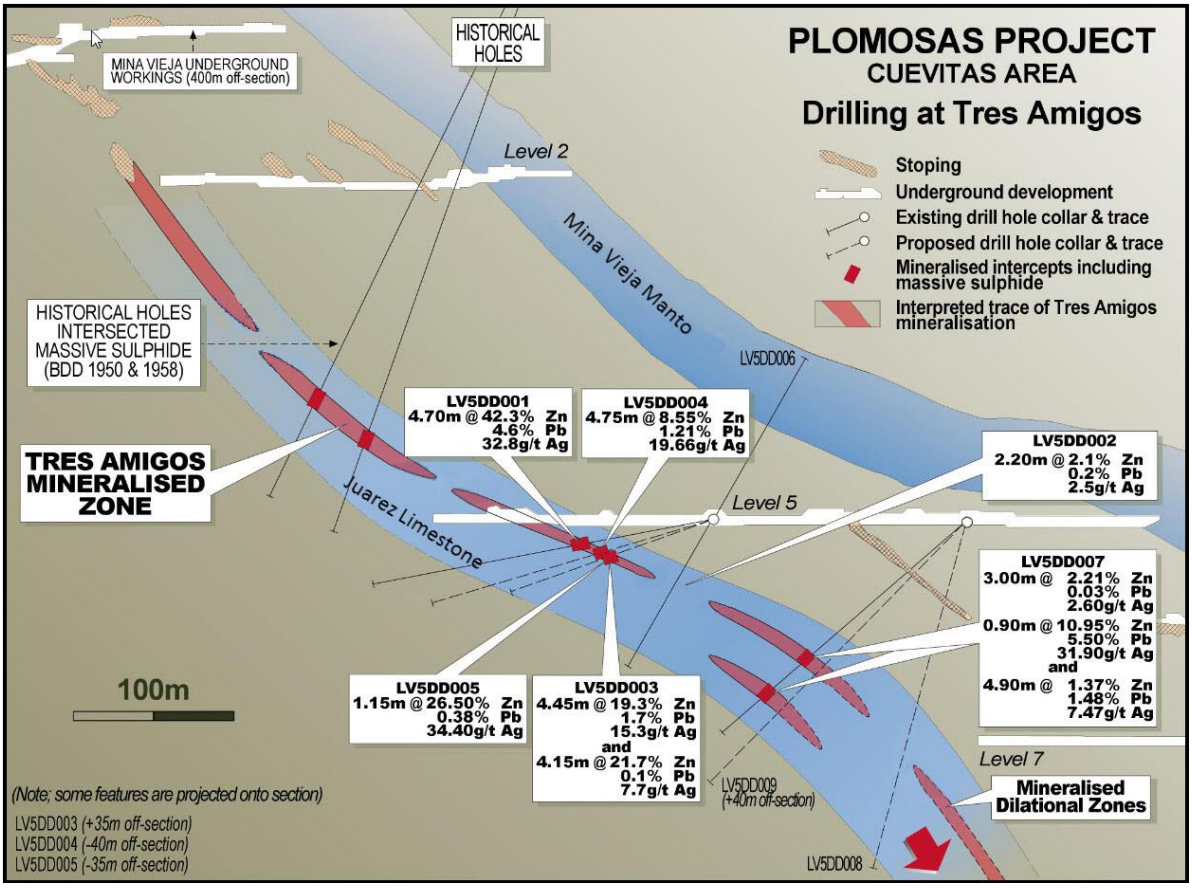

Figure 7: *Section through the Tres Amigos ore zone showing the discontinuous nature of the poddy, dilatational, high-grade ore shoots confined to the shear zone in the Juarez Limestone Unit.*

Additional Work Program

Any future drilling will focus on converting additional resources from Inferred to Indicated and infill drilling at the Tres Amigos Resource along with the southern offset portion of Level 7 as drill positions become available. The re-interpretation of the geology for Plomosas has strengthened the understanding of the deposit, will assist in target generation to increase the resource and focus exploration work.

Detailed Discussion of Resource Estimation Methodology and Parameters

Sampling and Sub-Sampling Techniques

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 four-kilogram sample. For this level of exploration, the sample size and method of sampling was deemed adequate to represent in-situ material.

Sampling techniques employed at the Plomosas underground drilling program include saw cut NQ drill core samples. 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. Duplicates were quarter core, sampled from the half sent for analysis.

Drilling Techniques

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.

Sample Analysis Method

All drill samples were submitted to ALS Laboratories in Chihuahua City for sample preparation with sample pulps sent to ALS in Toronto, Canada 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 were routinely re-assayed by ore grade analysis OG62. Over the limit results for the ore grade were re-assayed by titration methods Cu-VOL61, Pb-VOL50 or Zn-VOL50.

Analyses include 51 elements and include Ag, Au, Cu, Pb, Zn as the main elements of economic interest. The methods and procedures are appropriate for the type of mineralisation and the techniques are considered to be total.

Estimation Parameters

Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Plomosas Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 20m along strike and 30m down-dip. This was equal to the drill hole spacing in these regions of the Project. Maximum extrapolation was generally half drill hole spacing.

The parent block dimensions used were 10m NS by 5m EW by 2.5m vertical with sub-cells of 0.625m by 0.625m by 0.625m. The model was rotated to align with the strike of the mineralisation on a bearing of 330°. The parent block size dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the dataset.

The deposit mineralisation was constrained by wireframe solids constructed using a nominal 2% combined Zn and Pb cut-off grade with a minimum down-hole length of 1m. The wireframes were applied as hard boundaries in the estimate.

Statistical analysis was carried out on data from 53 domains. After review of the project statistics, it was determined that high grade cuts for Ag within two domains were necessary. The cut applied was 300g/t Ag resulted in two composites being cut.

An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography derived from Domain 1. Up to three passes were used for each domain. The first pass had a range of 30m, with a

minimum of 6 samples. For the second pass, the range was extended to 50m, with a minimum of 4 samples. For the final pass, the range was extended to 100m, with a minimum of 2 samples. A maximum of 16 samples was used for all three passes.

It is assumed that the bulk density will have some variation within the mineralised material types due to the host rock lithology and sulphide minerals present. Therefore, a regression equation for Zn and density was used to calculate density in the block model.

Validation of the model included detailed comparison of composite grades and block grades by strike panel and elevation. Validation plots showed good correlation between the composite grades and the block model grades.

Mineral Resource Classification Criteria

The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling of less than 20m by 20m, and where the continuity and predictability of the mineralised units was assisted with development drives, along with mapping and channel sampling to assist with structural interpretation. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m and less than 40m by 40m; where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones

Cut-off Grade, Mining and Metallurgy Methods and Parameters Considered to Date

The Statement of Mineral Resources has been constrained by the mineralisation solids and reported above a Zn cut-off grade of 3%. The cut-off grade was estimated based on current mining cut-off grades for the operation.

ASH considers the Mineral Resource demonstrates reasonable prospects for eventual economic extraction however, highlights that additional studies and drilling are required to confirm economic viability.

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) 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 his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Shaun Searle who is a Member of the Australasian Institute of. Mr Searle is a full time employee of Ashmore Advisory Pty Ltd. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Searle consents to the inclusion in this report of the matters based on his 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 (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.*	• 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 four kg 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 test work. • Diamond NQ3 core was sampled on geological intervals/contacts, with the minimum sample size of 0.5m and max 1.2m. Channel samples were obtained at 1m intervals, or to geological contacts. • 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. Duplicates were quarter core, sampled from the half sent for analysis.
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).*	• 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.

Criteria	JORC Code explanation	Commentary
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%. No adjustment was made to the assay data prior to compositing. If core loss occurred and samples were absent, they remained as an unsampled interval within the composites. • 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.*	• CZL 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 25 samples.

Criteria	JORC Code explanation	Commentary
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.*	• 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 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. • 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. Geostats 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 drill hole 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 allows, drill cuddies have been established at 80 metre intervals to allow for adequate drill spacing. • Samples were composited to 1m lengths prior to estimation.
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.

Criteria	JORC Code explanation	Commentary
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 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 Limited owns 100% of the Project through its subsidiary Minera Latin American Zinc.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Plomosas was exploited by Asarco Mexicana from 1952 to 1982; the production in that period was 1.5 million tonnes @ 16% Zinc, 8% Lead and 60g/t of Silver. • In 1975, Industria Minera Mexico (IMMSA) acquired the project and mined additional 90,000 tons in the first 6 months of 1976. In 1978 IMMSA reported a reserve of 950,590 tons @ 12.8% Zn, 7.1% Pb, 57g/t Ag. • In 1995 Kennecott obtained an exploration agreement and drilled 6 reverse circulation holes over a spacing of 2.5 kilometres in the district and only one intercepted economic mineralisation. • In 1999, Compañía Retec Guaru, S.A. de C.V, (Retec) owned by Ing. Rogelio Martinez, obtained the claims from IMMSA and controlled a claim of 3,056 hectares. Retec exploited the Juarez Limestone, located 100 metres to the footwall of the old workings, at a rate of 70 tonnes per day mining 17% zinc, 3% lead and 60 g/t silver. • Work by North Ltd from 1998 until its take-over in 2000 by Rio Tinto Ltd was focused almost exclusively on intrusion-related, carbonate-hosted base metal systems in Central Mexico and had undertaken a country-wide project generation program and had subsequently identified the Plomosas District as the highest-ranking target area of the 41 targets defined in the Chihuahua

Criteria	JORC Code explanation	Commentary
		Central Region during 1999. Geological characteristics of the deposit led to its classification as IRT III type mineralisation. • In 2014, work was undertaken on the site by Exploraciones Mineras Penoles S.A. de C.V (Penoles) in a semi-JV arrangement with Retec. Penoles completed 20 deep diamond drill holes to a maximum depth of 790m, with drill holes distributed along strike of the Plomosas mine. It appears Penoles withdrew from the Plomosas agreement as it did not meet the company's strategic outlines
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 1,600 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 marblisation 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.*	• Exploration results are not being reported. • All information has been included in the appendices. No drill hole information has been excluded.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported.

Criteria	JORC Code explanation	Commentary
	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 metal equivalent values are being reported, however a combined zinc and lead assay is used to assist in wireframing of the mineralisation.
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').*	• The drill line and drill hole orientation are oriented as close to 90 degrees to the orientation of the anticipated mineralised orientation as practicable, however this is limited due to location of development drives and drill cuddies. • The majority of the drilling intersects the mineralisation between 50 and 80 degrees.
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.*	• Relevant diagrams have been included within the Mineral Resource report main body of text.
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 drill hole collars were surveyed to the WGS84, Zone 13 grid system. Underground collar surveys were completed by company surveyors using Total Station equipment and surface collar surveys were conducted with DGPS equipment. Down-hole surveys were taken at nominal 30m intervals and a final survey was taken at the end of hole using a Reflex EZ-TRAC digital camera. • Exploration results are not being 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.*	• Results were estimated from drill hole assay data, with geological logging used to aid interpretation of mineralised contact positions. • Geological observations are included in the report.
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.*	• Follow up DD drilling will be undertaken. • Further metallurgical test work may be required as the Project progresses.

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.*	• Geological and field data is collected using customised logging software on tablet computers. The data is validated by company geologists before the data is sent to Expedio data management consultants. The validated data is stored in Expedio's standardised SQL Server Database Schema. The data is exported by Expedio and sent to Ashmore in Access format prior to Mineral Resource estimation in Surpac. • Ashmore performed initial data audits in Surpac. Ashmore checked collar coordinates, hole depths, hole dips, assay data overlaps and duplicate records. Minor errors were found, documented and amended.
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.*	• Site visits were conducted by Shaun Searle during November 2016 and January 2020. The site visits included inspection of the geology, drill core, underground development/stoping and the topographic conditions present at the site as well as infrastructure. During the site visits, Mr Searle had open discussions with CZL's personnel on technical aspects relating to the relevant issues and in particular the geological data.
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.*	• The confidence in the geological interpretation is considered to be good and is based on visual confirmation in underground development/ stoping, outcrop and drilling. • Geochemistry and geological logging have been used to assist identification of lithology and mineralisation. • The deposit consists of northeast dipping units. Infill drilling has supported and refined the model and the current interpretation is considered robust. • Outcrops of mineralisation and host rocks confirm the geometry of the mineralisation. • Infill drilling has confirmed geological and grade continuity.
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.*	• The Tres Amigos Mineral Resource area extends over a southeast-northwest strike length of 320m (from 3,216,570mN – 3,216,740mN), has a maximum width of 190m (476,080mE – 476,250mE) and includes the 200m vertical interval from 1,090mRL to 890mRL. • The Level 7 Mineral Resource area extends over a south-southeast – north-northwest strike length of 400m (from 3,216,930mN – 3,217,300mN), has a maximum width of 110m (476,230mE – 476,340mE) and includes the 90m vertical interval from 950mRL to 860mRL.
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*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Plomosas Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 30m along strike

Criteria	JORC Code explanation	Commentary
	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.* • *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.*	and down-dip. This was equal to the drill hole spacing in these regions of the Project. Maximum extrapolation was generally half drill hole spacing. • Reconciliation was conducted between the 2020 block model and recent mining by CZL. Results indicate that the current estimate is reasonable for the mining areas at Tres Amigos, however the interpretation may be slightly overcalling tonnage at Level 7 due to the structural complexity, although the variance is within acceptable tolerances for the classification applied. • Two concentrates are created from the Plomosas mineralisation; a zinc concentrate and a lead concentrate that includes silver. • It is assumed that there are no deleterious elements when considering the processing methodology for the Plomosas mineralisation. • The parent block dimensions used were 10m NS by 5m EW by 2.5m vertical with sub-cells of 0.625m by 0.625m by 0.625m. The model was rotated to align with the strike of the mineralisation on a bearing of 330°. The parent block size dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the dataset. • An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography derived from Domain 1. Up to three passes were used for each domain. The first pass had a range of 30m, with a minimum of 6 samples. For the second pass, the range was extended to 50m, with a minimum of 4 samples. For the final pass, the range was extended to 100m, with a minimum of 2 samples. A maximum of 16 samples was used for all three passes. • No assumptions were made on selective mining units. • Zn and Pb, as well as Pb and Ag had strong positive correlations. Zn and Ag had a moderate positive correlation. • The deposit mineralisation was constrained by wireframe solids constructed using a nominal 3% combined Zn and Pb cut-off grade with a minimum down-hole length of 1m. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from 53 domains. After review of the project statistics, it was determined that high grade cuts for Ag within two domains were necessary. The cut applied was 300g/t Ag resulting in two silver composites being cut. • Validation of the model included detailed comparison of declustered composite grades and block grades by strike panel and elevation. Validation plots showed good correlation between the declustered composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the*	• Tonnages and grades were estimated on a dry in situ basis.

Criteria	JORC Code explanation	Commentary
	method of determination of the moisture content.	
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource estimate has been constrained by the wireframed mineralised envelope, is undiluted by external waste and reported above a Zn cut-off grade of 3%. • Mineralisation from Level 7 is currently being mined by CZL at a profit, supporting the selection of the reporting cut-off grade.
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.*	• The deposit is currently being mined using underground air leg techniques. Selective mining units are 2.5m by 2.5m by 2.5m which incorporates approximately 15 to 25% dilution, dependant on the area being mined.
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.*	• With current plant configurations on site, zinc recoveries of more than 85% are possible when optimum plant parameters are achieved.
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 have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made regarding environmental factors. CZL works to mitigate environmental impacts as a result of any mining or mineral processing.
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*	• Various bulk densities have been assigned in the block model based on lithology and mineralisation. These densities were determined after averaging the density measurements obtained from diamond core. • Bulk density was measured using the water immersion technique. Moisture is accounted for in the measuring process. A total of 7,643 bulk density measurements were obtained from core drilled at the Project. A total of 249

Criteria	JORC Code explanation	Commentary
	differences between rock and alteration zones within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	measurements were taken from mineralisation intervals. • It is assumed that the bulk density will have some variation within the mineralised material types due to the host rock lithology and sulphide minerals present. Therefore, a regression equation for Zn and density was used to calculate density in the block model. In addition, cavities are common in the limestone/marble host rock at Level 7. As a result, Ashmore estimated that approximately 5% of the mineralised material is cavernous (obtained from core logging), therefore deducted this factor from the measured densities when assigning bulk densities in the block model for the Level 7 prospect. This approach has been validated by block model reconciliation.
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.*	• The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling of less than 20m by 20m, and where the continuity and predictability of the mineralised units was assisted with development drives, along with mapping and channel sampling to assist with structural interpretation. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m and less than 40m by 40m; where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. Validation of the block model shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by Ashmore which verified the technical inputs, methodology, parameters and results of the estimate.
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*	• The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • Reconciliation was conducted between the

Criteria	JORC Code explanation	Commentary
	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.*	2020 block model and recent mining by CZL. Results indicate that the current estimate is reasonable for the mining areas at Tres Amigos, however the interpretation may be slightly overcalling tonnage at Level 7 due to the structural complexity, although the variance is within acceptable tolerances for the classification applied.