



Update Summary

Entity name

CONSOLIDATED ZINC LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Monday June 1, 2020

Reason for update to a previous announcement

An additional 527 New Shares and 527 New Options to be issued in the Entitlement Offer due to rounding.

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

CONSOLIDATED ZINC LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

27118554359

1.3 ASX issuer code

CZL

1.4 The announcement is☒ Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

An additional 527 New Shares and 527 New Options to be issued in the Entitlement Offer due to rounding.

1.4b Date of previous announcement(s) to this update

Thursday April 23, 2020

1.5 Date of this announcement

Monday June 1, 2020

1.6 The Proposed issue is:☒ A standard +pro rata issue (non-renounceable or renounceable)**1.6a The proposed standard +pro rata issue is:**☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

CZL : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +Security Code and Description

CZL : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

3

**What will be done with fractional entitlements?**

Fractions rounded up to the next whole number

Maximum Number of +securities proposed to be issued

575,311,631

Reason for the update of 'Maximum Number of +securities proposed to be issued'

An additional 527 New Shares issued due to rounding.

Purpose of the issue

Entitlement Offer to raise \$1.725 million before costs of the offer to be applied towards working capital, repayment of working capital facility, exploration of gold prospects at the Plomosas Project and expenses of the Entitlement Offer.

Offer price details for retail security holders**Issue Currency**

AUD - Australian Dollar

Offer Price per +security

AUD 0.00300

Estimated or Actual?☒ Actual**Oversubscription & Scale back details****Are +security holders allowed to oversubscribe?**☒ Yes**Provide the oversubscription details**

Existing shareholders will be able to apply for shortfall securities

May a scale back be applied to this event?☒ No**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**☒ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**



Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +Security Code

New class-code to be confirmed

+Security Description

Options with an exercise price of \$0.006 and a three year term from the date of issue.

+Security Type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

1

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum Number of +securities proposed to be issued

575,311,631

Reason for the update of 'Maximum Number of +securities proposed to be issued'

An additional 527 New Options to be issued due to rounding.

Offer price details for retail security holders

Issue Currency

AUD - Australian Dollar

Offer Price per +security

AUD 0.00000

Estimated or Actual?

☒ Actual

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?

☒ No

May a scale back be applied to this event?

☒ No

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security Currency

AUD - Australian Dollar

**Exercise Price**

AUD 0.0060

Expiry date

Thursday June 1, 2023

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

CZL : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Options with an exercise price of \$0.006 and a three year term from the date of issue.

Part 3C - Timetable

3C.1 +Record date

Thursday April 30, 2020

3C.2 Ex date

Wednesday April 29, 2020

3C.4 Record date

Thursday April 30, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Tuesday May 5, 2020

3C.6 Offer closing date

Tuesday May 26, 2020

3C.7 Last day to extend the offer closing date

Thursday May 21, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Wednesday May 27, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Thursday May 28, 2020

3C.11 Issue date

Monday June 1, 2020

3C.12 Date trading starts on a normal T+2 basis

Tuesday June 2, 2020



3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Thursday June 4, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

Pinnacle Corporate Finance Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Underwriting fee of 4.0%, Management Fee of 2.0% and 15,000,000 options exercisable at \$0.006 per option with a 3 year term from the date of issue.

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Pinnacle Corporate Finance Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Fully underwritten

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

Underwriting fee of 4.0%, Management Fee of 2.0% and 15,000,000 options exercisable at \$0.006 per option with a 3 year term from the date of issue.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to the ASX announcement "Capital Raising Update" on 23 April 2020

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information



3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue

Entitlement Offer to raise \$1.725 million before costs of the offer to be applied towards working capital, repayment of working capital facility, exploration of gold prospects at the Plomosas Project and expenses of the Entitlement Offer.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue

The Entitlement Offer is only open to shareholders registered in Australia and New Zealand. Therefore, if you are a shareholder with a registered address other than Australia or New Zealand, no offer will be made to you.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ No

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.consolidatedzinc.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue