



Announcement Summary

Entity name

CONSOLIDATED ZINC LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday September 16, 2020

The Proposed issue is:

☒ A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
CZL	ORDINARY FULLY PAID	679,430,439
CZLOB	OPTION EXPIRING 01-JUN-2023	226,476,813

Ex date

Wednesday September 23, 2020

+Record date

Thursday September 24, 2020

Offer closing date

Tuesday October 13, 2020

Issue date

Tuesday October 20, 2020

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

☒ New announcement

1.5 Date of this announcement

Wednesday September 16, 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?

☒ Yes

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)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is 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	For a given quantity of +securities held
--	---

3

11

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

679,430,439

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00300

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Eligible shareholders will be able to apply for any shortfall securities.

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

The Directors will determine the method of any scale back required, based on the the level of shortfall securities available.

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)?

☒ Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)



Details of attaching +securities proposed to be issued

ASX +security code and description

CZLOB : OPTION EXPIRING 01-JUN-2023

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

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

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

3

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

226,476,813

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Eligible shareholders will be able to apply for any shortfall securities.

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

The Directors will determine the method of any scale back required, based on the the level of shortfall securities available.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes



Details of company options where holders entitled to participate in the offer

ASX +security code and description

CZLOB : OPTION EXPIRING 01-JUN-2023

Date Option must be exercised by

Wednesday September 23, 2020

Part 3C - Timetable

3C.1 +Record date

Thursday September 24, 2020

3C.2 Ex date

Wednesday September 23, 2020

3C.4 Record date

Thursday September 24, 2020

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

Tuesday September 29, 2020

3C.6 Offer closing date

Tuesday October 13, 2020

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

Thursday October 8, 2020

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

Wednesday October 14, 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 October 15, 2020

3C.11 +Issue date

Tuesday October 20, 2020

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

Wednesday October 21, 2020



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

Friday October 23, 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?

Lazarus 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%, three month corporate advisory fee of A\$10,000 per month and 15,000,000 CZLOB options.

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

☒ Yes

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

Lazarus 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%, three month corporate advisory fee of A\$10,000 per month and 15,000,000 CZLOB options.

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

Refer to the appendix in the ASX Announcement "RIGHTS ISSUE TO COMMENCE PRODUCTION AT PLOMOSAS CONCENTRATOR" dated 16 September 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 purpose(s) for which the entity intends to use the cash raised by the proposed issue

Entitlement Offer to raise A\$2.038 million (before costs) to enable the Company to refurbish its wholly owned concentrator located on-site at the Plomosas Mine and commence zinc and lead concentrate production from its own processing facilities.

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

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes