

18 September 2015

Varmland Project, Sweden withdrawal

- **Company's focus on the Plomosas Project in Mexico leads to reprioritisation and withdrawal from the Varmland Project, Sweden.**
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Consolidated Zinc Limited (ASX:CZL) has undertaken a review of its asset portfolio and, given the exciting developments and exploration upside being encountered at the Plomosas Project in Mexico have decided to relinquish its wholly owned Varmland Project in Sweden.


Notwithstanding the first pass results reported from initial mapping studies at Varmland, it was considered the:

1. exploration targets will comprise medium to high grade, small tonnage base metal deposits, and
2. extensive vegetation and thin glacial till cover will hamper exploration,

and therefore the Project was downgraded in comparison to the Company's opportunities at Plomosas.

Managing Director Will Dix commented "We are increasing our focus on the high grade Plomosas zinc-lead-silver project in Mexico given the outstanding results and potential it displays. Therefore we are withdrawing from the Varmland project due its style of mineralisation, likely long exploration lead time and to better utilise our management focus and expenditure."

Yours faithfully.



Will Dix
Managing Director

ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX:CZL) is a minerals exploration company listed on the Australian Securities Exchange. The Company's major focus is in Mexico where it recently acquired 51% of the exciting high grade Plomosas Zinc Lead Silver Project through its majority owned subsidiary, Minera Latin American Zinc CV SAPI. 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

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the present day and the mineralised zones remain open at depth and along strike. The Company's main focus is to identify and explore new zones of mineralisation within and adjacent to the known mineralisation at Plomosas with a view to identifying new mineral resources that are exploitable.

In addition to Plomosas the Company also has interests in the Jailor Bore Uranium Project in Western Australia.

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 and Andrew Richards BSc (Hons), Dip Ed, MAusIMM, MAIG, MSEG, GAICD. Messrs Boda and Richards are both Members of Australian Institute of Geoscientists (AIG) and Mr Richards is also a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Both Messrs Boda and Richards have 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). Messrs Boda and Richards consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.