

EXPLORATION AND DEFINITION DRILLING COMMENCES AT PLOMOSAS

- **Infill drilling of high grade SOX mineralisation to upgrade JORC Resource for commencement of mining**
- **Drilling to test mineralisation intersected in hole LV5040 returned 4.50m at 36.50% Zn, 0.76% Pb, 9.27 g/t Ag.**
- **Resource definition drilling at depth and along strike to existing JORC Resource**

Consolidated Zinc Limited (ASX: CZL or “the Company”) is pleased to announce that exploration and delineation drilling has recommenced at its Plomosas project.

Semi-Oxide Ore (SOX)

A six hole program has commenced drilling with the objective to extend the Indicated JORC Resource (**Resource**) envelope down dip and to the south. These holes are targeted within the existing Inferred Resource envelope and will infill the identified mineralisation.

Drilling aims to convert SOX Inferred category Resources to Indicated Resources in preparation for mine planning and commencement of mining. This drilling will be complemented with ore strike drive sampling along the 913mRL, 900mRL and the 907mRL ore strike drives. These samples will effectively cover the defined mineralisation in the central zone. Figures 930L one and two, shows the location of these samples and drilling traces of previous drill holes as previously reported to the ASX.

Drill intersections near to the extension and previously reported to the ASX on 21 March 2016 include:

- LV7DD003; **2.90m @ 34.52% Zn**, 14.95% Pb, 90.0 g/t Ag from 50.6 metres down hole (“mdh”) and **0.95m @ 29.10% Zn**, 11.50% Pb, 61.3 g/t Ag from 56.9 mdh; and
- LV7DD007; **2.65m @ 18.42% Zn**, 10.12% Pb, 60.8 g/t Ag from 71.60 mdh

Tres Amigos Resource extension.

A total of seven holes have been planned for future drilling to test the mineralisation around hole LV5040 and LV5054. These holes intersected a similar style of mineralisation to that of the Tres Amigos zone, 140 metres to the north which were drilled in 2018 during the last period of the campaign LV5040 and LV5054 are located below Level 9 in a plunging high-grade zone, hosted in the Juarez Limestone Unit.

Details of the previous drilling results were announced to the ASX for hole LV5040 on 14 February 2018 and on 5 April 2018 for hole LV5054 and include respectively:

- LV5040; **4.50m @ 36.50% Zn**, 0.76% Pb, 9.27g/t Ag from 164.05 mdh and **1.0m @ 35.01% Zn**, 0.97% Pb, 7.00g/t Ag from 176.05 mdh; and
- LV5054; **3.1m @ 18.80% Zn**, 1.25% Pb, 13.22g/t Ag from 149.45 mdh.

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These holes intersected the deepest known economic mineralisation in Plomosas to date. The current drilling program is designed to also upgrade the Resource to Indicated status and add significant value to the project.

Drilling updates will be announced as results come to hand.

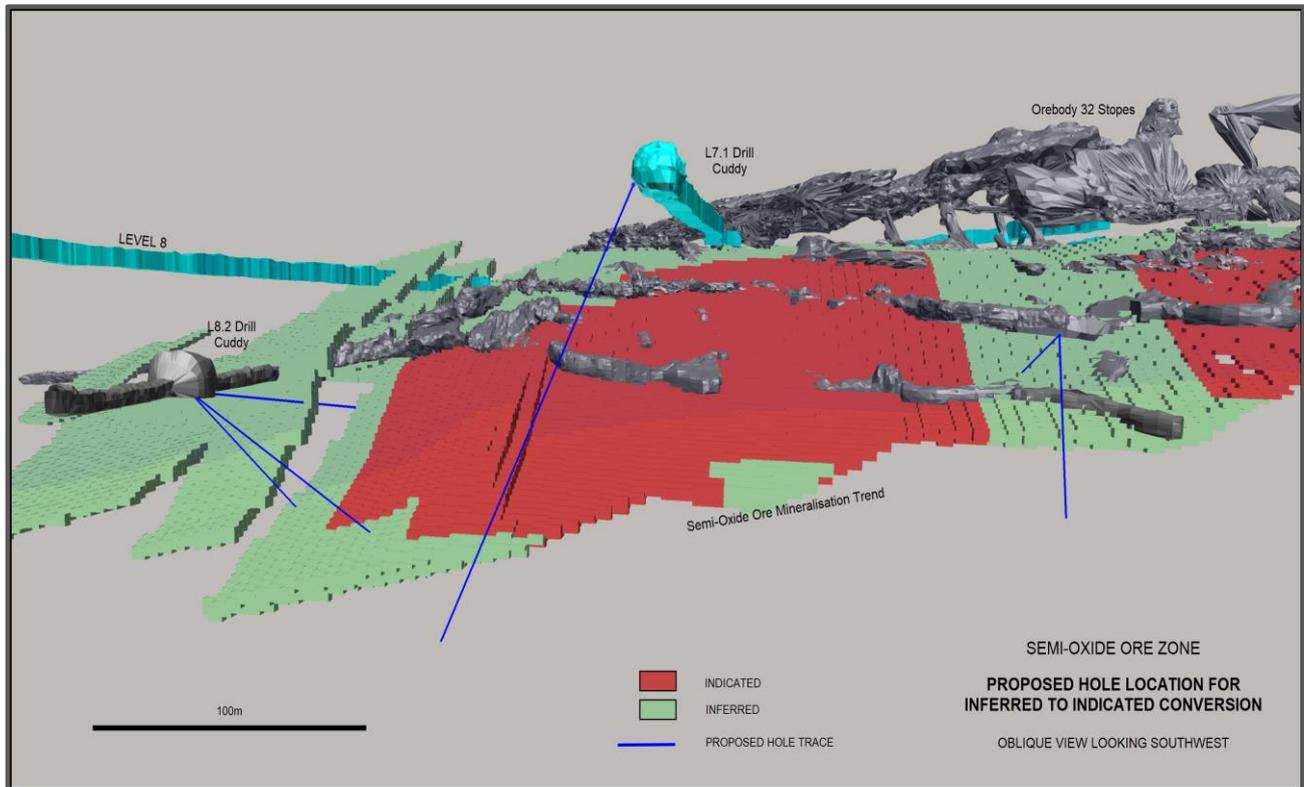


Figure 1: Proposed hole location for conversion of Inferred to Indicated category SOX JORC Mineral Resource

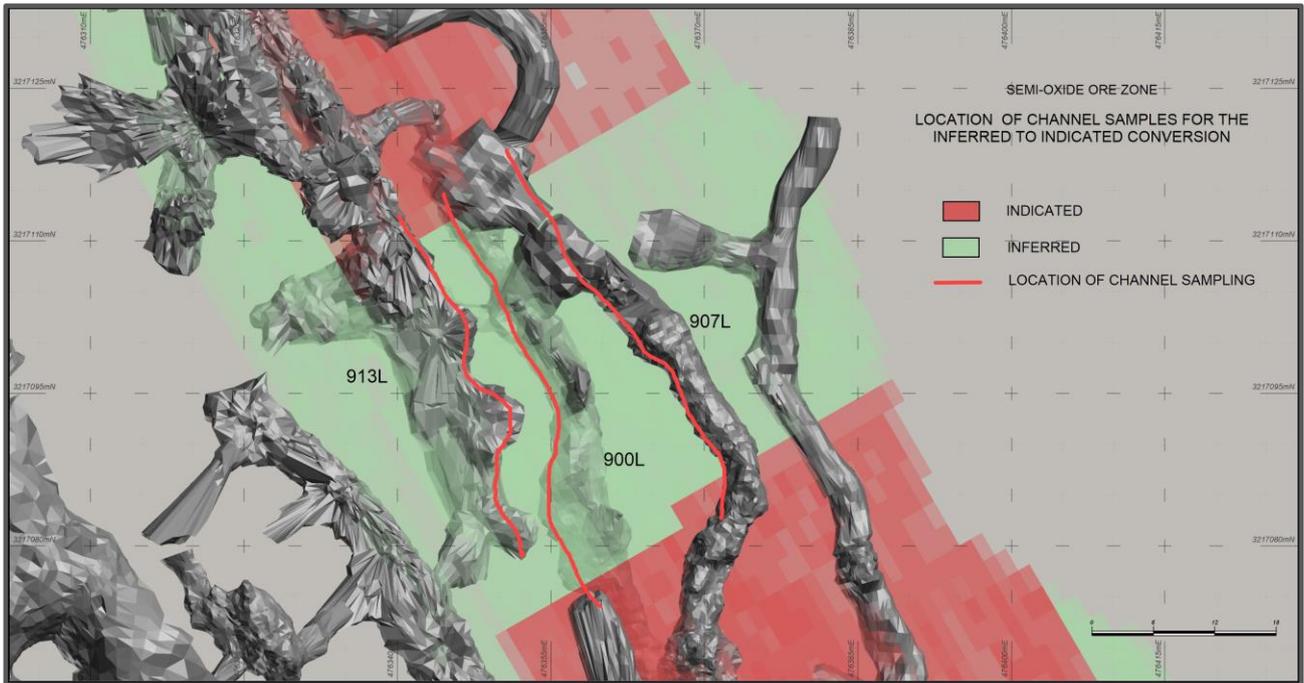


Figure 2: Location of the channel sampling to support conversion of Inferred to Indicated JORC Resource

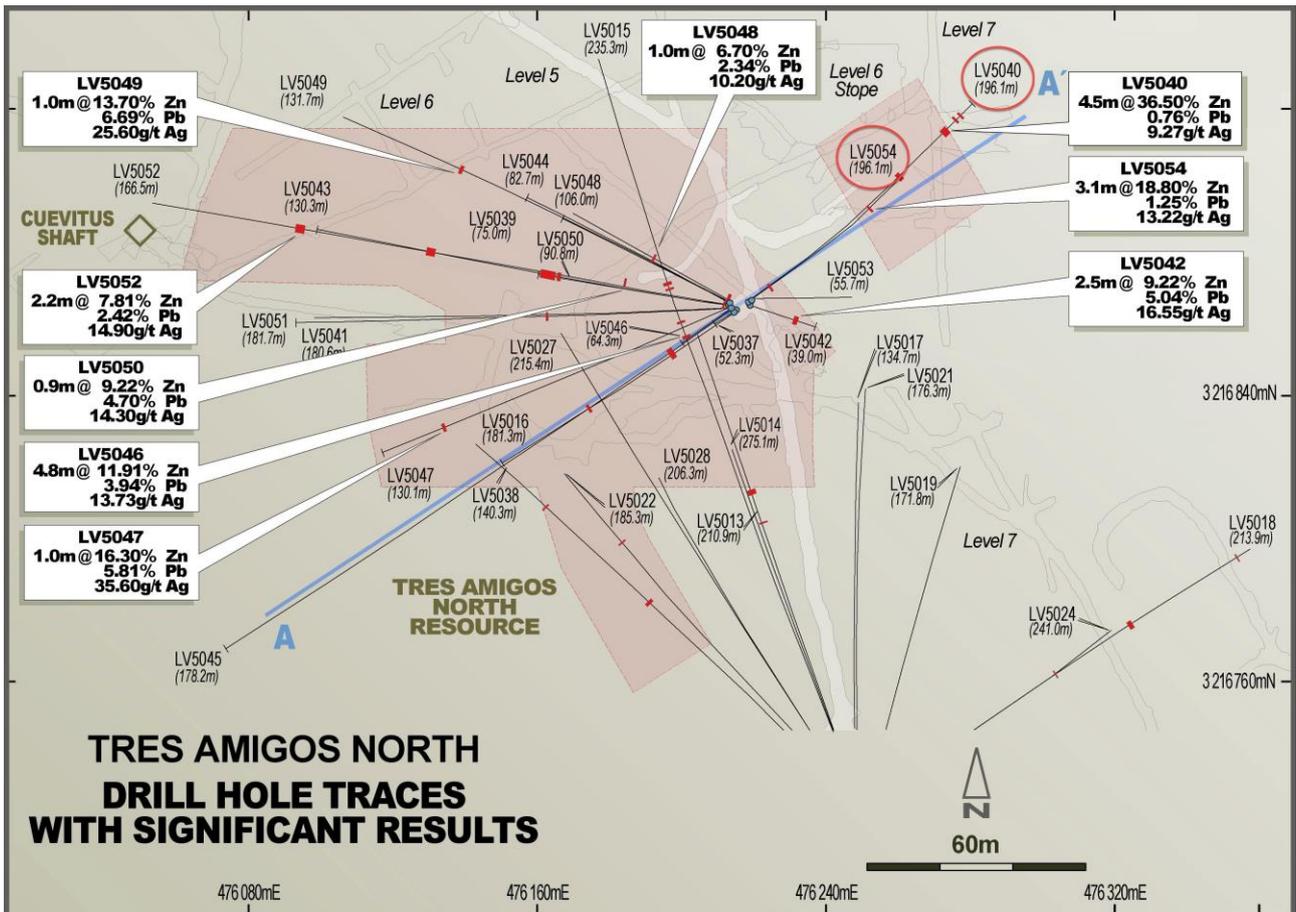


Figure 3: Figure 3: Plan view of current drilling from 2018 drilling program showing significant results around the Tres Amigos North area and down dip to holes LV5040 and LV5054. Refer to section in Figure 3 for detailed results.

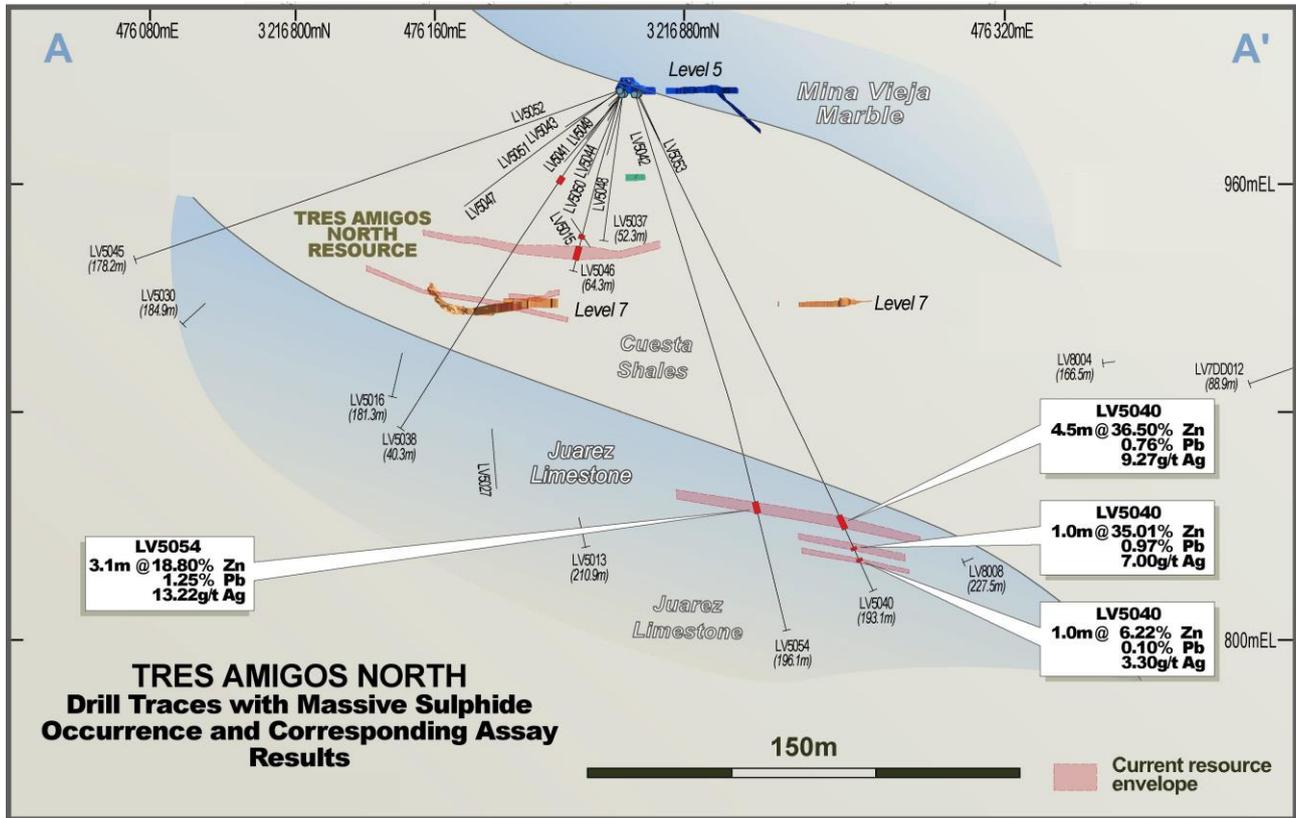


Figure 4: Section view through A-A' showing the location and drill intercepts of LV5040 and LV5054

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Figure 5: Massive sulphide mineralisation intersected in LV5040 drill hole from 164.15m to 168.50 m hosted in Juarez Limestone. Grade of 4.5m @ 36.50% Zn, 0.76% Pb, 9.27g/t Ag from 164.05 mdh

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Figure 6: Hole LV5054 showing massive sulphide mineralisation within carbonates hosted in Juarez Limestone. Grade of 3.1m @ 18.80% Zn, 1.25% Pb, 13.22g/t Ag from 149.45 mdh

This announcement was authorised to be given to the ASX by the Directors of Consolidated Zinc Limited.

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 recommenced 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 Person Statement:

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Mr Steve Boda BSc (Hons), MAIG, MGSA, MSEG and Mr Andrew Richards BSc (Hons), Dip Ed, MAusIMM, MAIG, MSEG, GAICD. Mr 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 Mr 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). Mr 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.

The information in this report that relates to Mineral Resources is based on, and fairly represents information and supporting documentation prepared by Mr Andrew Richards, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists. Mr Richards is a Director of the Company. Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Richards has approved the Statement as a whole and consents to its inclusion in this report in the form and context in which it appears.

The information in this report that relates to the Mineral Resources were first reported by the Company in compliance with JORC 2012 in market release dated 30 April 2018.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to above and further confirms that all material assumptions and technical parameters underpinning the ore reserve and mineral resource estimates contained in those market releases continue to apply and have not materially changed.

Caution Regarding Forward Looking Statements and Forward Looking Information:

This report contains forward looking statements and forward looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of zinc and lead, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

Except as required by law or regulation (including the ASX Listing Rules), Consolidated Zinc undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Production Targets:

Production targets referred to in this report are underpinned by estimated Mineral Resources which have been prepared by competent persons in accordance with the requirements of the JORC Code. The production targets in this report are sourced from both Indicated and Inferred Mineral Resources and it should be noted that there is a low geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The stated production target is based on the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.