

17 October 2022

## Offtake Agreement for 100% of Plomosas Zinc Concentrates Extended for 2023

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Consolidated Zinc Limited (ASX: CZL; “Consolidated Zinc” or “the Company”) is pleased to announce Industrias Penoles S.A. de C.V. (“Penoles”) has exercised its option to purchase 100% of the zinc concentrates produced by Minera Latin American Zinc SAPI de CV (“MLAZ”) at Plomosas, for the period 1 January 2023 to 31 December 2023.

As part of the zinc concentrate offtake agreement, Penoles has an additional 1-year option to extend the zinc concentrate purchases to the end of December 2023.

### Zinc Treatment Charges

The zinc concentrate sold to Penoles is processed at Penoles’ Met-Mex smelter located in Torreon, Mexico, with the zinc treatment charges linked to the annual zinc treatment charge benchmark, which is agreed annually during the first quarter of each year between the major zinc miners and smelters.

The Met-Mex smelter is located approximately 600km from Plomosas which delivers significant savings in transportation costs in comparison to other zinc smelters located further from Plomosas or in export markets.

Zinc concentrates produced from Plomosas Mine are high-grade, with very low levels of deleterious impurities, being within all deleterious impurity limits minimises treatment charges.

### About Penoles

Penoles is a major Latin-American mining company, listed on the Mexican Stock Exchange, and one of the world’s leading refiners of zinc and the largest global refiner of silver.

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

**Brad Marwood**  
**Executive Chairman**  
**08 6222 6400**

### **ABOUT CONSOLIDATED ZINC**

Consolidated Zinc Limited (ASX: CZL) owns 100% interests in the Pilbara Lithium and Wandagee Projects, which comprise approximately 1,400km<sup>2</sup> in 5 granted exploration licenses (plus 1 EL Application), located in the Pilbara and Gascoyne regions of Western Australia. The Pilbara Projects are highly prospective for lithium and are situated near two of the world’s largest hard rock lithium deposits/ mines (ASX: PLS – Pilgangoora & ASX: MIN – Wodgina) and other deposits and occurrences near Marble Bar (ASX:GL1’s Archer Project).

The Company also owns 100% of the 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. Historical mining at Plomosas (between 1945 and 1974) extracted over 2 million tonnes of ore grading 22% Zn+Pb, plus 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 recommenced mining at Plomosas

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and to intends to exploit its potential by mining the high- grade zinc, lead and silver Mineral Resource and through the identification, exploration and exploitation of new zones of mineralisation.

**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 and other reports 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 and other reports 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.*

*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.*