

 Zn news

LATEST NEWS FROM CONSOLIDATED ZINC LIMITED

Positive exploration results as zinc price soars

JUST as the zinc price hit a five-year high this week, Consolidated Zinc announced preliminary results from regional exploration activities that show very encouraging signs.

Zinc moved beyond US\$2450/t earlier in the week, even edging towards \$2,480/t at one point.

The spike was buoyed by continuing international demand, low warehouse stocks and news that multinational miner Glencore would mothball its depleted Black Star Open Cut mine in Queensland.

The good news comes at a perfect time for CZL, with initial results of regional exploration work showing potential extensions and repetitions of the high-grade mineralisation at Plomosas, and as the company works towards its initial resource estimate next month.

Managing Director Will Dix says the ongoing focus remains the maiden resource through infill and extension drilling but that there will also be a new push on the regional exploration front.

“There’s little doubt the Plomosas project has some exceptional grades, not just for zinc but also for lead and silver,” he says.

“To date we’ve focused our drilling programs predominantly on the existing mine area and identified very high zinc grades – in some cases over 40 per cent - below Level 7.

“While our maiden JORC will relate to that area, we’re very excited about the potential extensions and repetitions of the same style mineralisation that were identified in the latest mapping and survey work.

“So in parallel to finalising the resource definition drilling, we’ll be continuing the exploration program and identifying new drill targets through the remainder of this year and into 2017.”

American based global investment bank Goldman Sachs said in a note last week that it expected zinc to outperform aluminum and copper over the next six to nine months.