



## LATEST NEWS FROM CONSOLIDATED ZINC LIMITED

### **CZL Moves to Fast-track Mine Production**

WITH zinc prices continuing their upward trajectory, Consolidated Zinc is making moves towards fast-tracking production at its Plomosas zinc-lead-silver mine, based in northern Mexico.

The company has commissioned a [scoping study](#) of the asset following the high-grade [maiden JORC resource](#) of **568,000 tonnes @ 16.9% Zn+Pb** announced in December.

Managing Director Will Dix said with the bullish global prices for zinc, the time was right to consider options for fast-tracking production.

“The scoping study will assess mining and infrastructure options, including re-establishing past mine operations, and refurbishing and expanding an existing onsite processing plant, targeting a throughput of 200 tonnes per day, or approximately 75,000 tonnes per annum,” Mr Dix said.

“By using the existing plant on site, and based on the resource being located within and immediately below the existing mine infrastructure, we have an opportunity for early cash flow, which will enable us fund further exploration of our project.

“The study will help improve our understanding of the mine mineralisation and give us insights into possible mining methods and processing options.

“Our solid resource base and additional underground mineralisation, as well as the strong short and medium-term outlook for zinc, gives us confidence the study will return positive economic indicators that will further justify our decision to look at an early move to production.

“The grade at Plomosas is outstanding compared to our peers and drilling subsequent to the resource being announced has continued to intersect sulphide mineralisation outside the limits of the resource to the south and at depth.

“The drilling program will continue with a view to expanding the current resource and our goal remains to establish a large-scale mining operation at Plomosas.”

The scoping study is expected to be completed in the second quarter of 2017.

Independent global consultant RungePincockMinarco will manage the study and BatteryLimits will continue metallurgical test work and develop the metallurgical and process engineering options.

“We’ve worked with RPM and BatteryLimits since last year and are pleased to continue the partnership,” Mr Dix said.

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