



LATEST NEWS FROM CONSOLIDATED ZINC LIMITED

Plomosas Approaches One Million Tonnes as Zn Hits 10-Year High

A CONFIRMED 70 per cent increase in zinc resource means Consolidated Zinc has moved significantly closer to achieving a million tonnes at the Plomosas Project in northern Mexico.

The revised high-grade JORC Resource of **968,000 tonnes at 15.9 per cent Zn+Pb for 154,000 tonnes of contained metal** ([see ASX release](#)) remains open in almost all target zones.

“The increase in resource will underpin our plans to fast-track initial production for short-term cash flow,” Consolidated Zinc Managing Director Will Dix said.

“Combined with the outstanding metallurgical results from Tres Amigos, these results suggest there may be sufficient tonnage to support initial mining at Plomosas - and will form the basis of the Scoping Study.”

The results come as the zinc price hits a 10 year high following increased demand from China and ongoing supply shortages.

London Metal Exchange (LME) three-month zinc futures have increased more than 24 per cent since June 2017 and were recently trading at US\$3,081 per metric tonne – the highest since October 2007.

Back in Mexico, the Scoping Study – which is due for completion later this month – is increasingly focused on mining at Tres Amigos and Las Espadas, where resource tonnage has increased by 148 per cent.

“Tres Amigos’ excellent metallurgical results indicate high zinc recoveries to concentrate of more than 90 per cent, which will be important in lowering Plomosas’ initial CAPEX and OPEX,” Mr Dix said.

“The study will include a review of our options for using the small-scale on site plant and existing underground infrastructure.

“With resource tonnage immediately accessible from within the current mine, we are very pleased with how the project is shaping up.”

Consolidated Zinc will carry out further drilling in 2017 and 2018 in a bid to further increase the resource, focusing on immediate target zones at Las Espadas, Carola South, Level 7 and Tres Amigos.

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