

## Appointment of CEO

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Mexican zinc explorer, Consolidated Zinc Limited (ASX:CZL; "Consolidated Zinc" or "the Company") is pleased to announce the appointment of Mr Brad Marwood to the position of Chief Executive Officer effective 4 March, 2018.

Consolidated Zinc chairman, Mr Stephen Copulos commented: *"I am pleased to welcome Brad's appointment as CEO. His experience in the development and construction of major base metal projects around the world, sometimes under difficult circumstances, combined with previous corporate positions at a very senior level will be invaluable in establishing Consolidated Zinc's next phase of growth as a zinc producer in the near term."*

Brad is a mining engineer and a highly experienced resources industry executive with more than 30 years of experience. He was instrumental in bringing into production the copper mines at Kipoi (DRC) and Rapu Rapu (Philippines); completing development of the Svartliden gold mine (Sweden) and has managed numerous Feasibility Studies and advanced stage resource projects in Australia, Africa, North America and Asia.

He has worked in senior roles for groups such as Normandy, Dragon Mining, Lafayette, Moto Goldmines and Perseus Mining before his most recent role as Managing Director of Tiger Resources. Brad's involvement has seen growth in several companies with a significant increase in their market capitalisation and by protecting investments through restarting suspended mine projects.

A summary of the key terms of the Chief Executive Officers engagement is attached.

Consolidated Zinc has further strengthened the executive team as we focus on transitioning the Plomosas Base Metals Project from exploration to operations. Brad's expertise in mining and project management and corporate and company transition rounds out the existing executive expertise with Andrew Richards (geology and corporate), Eduardo Valenzuela (Mining engineer and Latin American mining expert) and Steve Boda as Exploration Manager in Mexico. Consolidated Zinc seek to develop the Plomosas Project with production targeted for 2019.

Yours sincerely,

*Stephen Copulos*

Stephen Copulos  
Chairman

### ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX:CZL) is a minerals exploration company listed on the Australian Securities Exchange. The Company's major focus is in Mexico where it recently acquired 51% of the exciting high grade Plomosas Zinc Lead Silver Project through its majority owned subsidiary, Minera Latin American Zinc CV SAPI. 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's main focus is to identify and explore new zones of mineralisation within

and adjacent to the known mineralisation at Plomosas with a view to identifying new mineral resources that are exploitable.

## **Key Terms of Chief Executive Officer's Engagement**

### **Remuneration**

Mr Marwood's remuneration package as CEO has been structured as follows:

- A base salary of A\$250,000 plus statutory superannuation.
- A short term incentive (STI) package of 3,000,000 performance shares and 3,000,000 options exercisable at 6 cents per share, payable in three tranches and subject to meeting performance targets.
- A long term incentive (LTI) package, subject to approval of CZL shareholders and Mr Marwood's remaining employed by the Company, is a payment to the value of 2% of the market capitalisation of the Company to Mr Marwood. At the Company's election this payment may be made in CZL shares in lieu of cash. This LTI is payable upon Consolidated Zinc having a market capitalisation of A\$200 million on or before 31 December, 2021 based on a 30 day Volume Weighted Average Price (VWAP).

### **Termination**

Except as otherwise specified below, Consolidated Zinc or Mr Marwood may terminate the employment by three months written notice to the other party. Consolidated Zinc also has the standard summary dismissal rights in the event of willful or gross misconduct.

The Company may elect to pay in lieu all or any part of any notice period, subject to the limitations imposed in Part 2D.2 of the Corporations Act. All benefits and performance shares or options vested in Mr Marwood at the time of termination will remain.

### **General**

All employment conditions are in accordance with the relevant legislation applicable in the State of Western Australia.