



LATEST NEWS FROM CONSOLIDATED ZINC LIMITED

High grade results as zinc rally continues

LATEST assay results and drilling intercepts at Consolidated Zinc's Plomosas project in northern Mexico have indicated further high-grade resource.

The assay results show combined zinc and lead grades up to 52.8 per cent as the company moves towards its initial resource estimate next month.

The news comes as the global zinc price continues its rally after a record breaking month in October, increasing a further 5.5 per cent to reach a seven-year high on Monday night.

"Along with these latest assay results, drilling has encountered significant massive sulphide mineralisation to the south of our current resource envelope," Managing Director Will Dix said.

"This supports our view that significant base metal resources exist down dip and down plunge of the existing mine development.

"The new results will be incorporated into our initial resource estimate due out next month and will be key targets for immediate follow-up drilling."

Coupled with recent regional exploration results, Mr Dix said the latest news had led the company to rethink its accelerated restructure of project ownership announced last month.

"These results have been the impetus for a re-think on fast-tracking the ownership restructure so we can focus our funds in the ground," he said.

"The agreement is still in place for Consolidated Zinc to acquire up to 80 per cent, but it makes more sense to revert to the original terms of the agreement so we can continue progressing exploration efforts without delay."

Mr Dix said a full set of updated sections and plans would be made available as more assay results came to hand.

Following the announcement on Tuesday, Consolidated Zinc's shares were up 14 per cent to 3.1 cents.

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