

Consolidated Zinc Announces \$2.95m Fully Underwritten Rights Issue

Consolidated Zinc Limited (**CZL or the Company**) is pleased to announce that it proposes to undertake a fully underwritten pro-rata renounceable entitlement issue of approximately 184,504,555 ordinary fully paid shares (**New Shares**) on the basis of two (**2**) New Shares for every five (**5**) Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.016 per New Share, to raise up to approximately \$2,952,000 (**Rights Issue or Offer**).

The Rights Issue is led and underwritten by Patersons Securities Limited (**Patersons**). Sub-underwriting of the Rights Issue was heavily oversubscribed by domestic and international institutional and sophisticated investors.

The funds raised via the Rights Issue will be used for the following:

- Completion of the scoping study work and permitting applications
- Ongoing resource drilling and exploration
- Costs of the Offer
- General working capital

Consolidated Zinc's Managing Director, Will Dix, commented:

"We are grateful for the strong demand received for the Rights Issue underwriting and the support of our Chairman Mr Stephen Copulos and our long term existing Shareholders who have continued to back the Project. In particular it is encouraging that with the assistance of Patersons we have been able to identify a number of new institutional investors who have supported the issue and who recognise the value that can be unlocked from the Plomosas Zinc Project. The strong demand is evidence for the quality of the asset and the significant value catalysts expected over the next quarter as the Company assesses near-term production scenarios for Plomosas.

We now have the necessary funding to continue to aggressively drill out the Mineral Resource within the mine and also conduct regional exploration, whilst simultaneously advance the development studies. With a JORC Resource update and Scoping Study results both due towards the end this quarter, we look forward to updating our shareholders on our operational progress."

New Shares issued under the Rights Issue will rank equally with existing Shares on issue and the Company will apply for official quotation of the New Shares.

Optionholders are not entitled to participate in the Rights Issue without first exercising their options to be registered as a shareholder (**in Australia and New Zealand**) on the Record Date, in accordance with the terms and conditions of the options.

Eligible Shareholders (other than Directors and related parties of the Company) may, in addition to taking up their entitlement to New Shares under the Offer, apply for additional New Shares subject to the terms of the Offer, availability, and the discretion of the Company and Patersons. There is no guarantee that Eligible Shareholders will receive their full subscription under the shortfall offer.

The Offer is being made pursuant to an Offer Document which will be released on the ASX platform on the same day as this announcement.

1 May 2017

The proposed terms of the Offer will be as follows:

Type of Offer:	Pro-rata renounceable rights issue
Eligible participants:	Shareholders at 5.00pm (AEDT) on the Record Date whose registered addresses are in Australia and New Zealand
Basis of entitlement:	Two (2) New Shares for every five (5) existing Shares held at the Record Date
Number of existing Shares:	461,261,388
Number of New Shares pursuant to the Offer:	184,504,555
Record Date to determine entitlements:	5 May 2017
Issue price:	\$0.016 per New Share
Underwriting:	The Rights Issue is fully underwritten by Patersons

The indicative timetable for the Offer is as follows:

Lodgment of Appendix 3B and s708AA notice	1 May 2017
Notice to Shareholders	3 May 2017
Existing Shares quoted on an "ex" basis	4 May 2017
Record Date	5 May 2017
Rights Issue Offer Document and Entitlement and Acceptance Form sent to Eligible Shareholders	10 May 2017
Rights trading ends	12 May 2017
Closing Date	19 May 2017
Company to notify ASX of under subscriptions (if any)	24 May 2017
Anticipated date for the issue of the Shares and sending of security holder statements	26 May 2017
Deferred settlement trading ends	26 May 2017

Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the Shares.

Yours faithfully,



Will Dix
Managing Director