

4 February 2019

## Appointment of Managing Director

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Consolidated Zinc Limited (ASX: CZL; “Consolidated Zinc” or “the Company”) is pleased to announce CEO Brad Marwood will join the Board as Managing Director effective from 4 February 2019.

Mr Marwood, a mining engineer and resource industry executive with more than 30 years’ experience, has been involved in bringing nearly 20 gold and base metals projects into production in locations including Africa, Asia, Australia and North and South America, as well as managing numerous feasibility studies. He has held senior roles in groups including Normandy Mines, Moto Gold Mines and Perseus Mining.

Consolidated Zinc Chairman Stephen Copulos said “*Mr Marwood will be invaluable in leading Consolidated Zinc as it establishes the Company’s next phase of growth as a commercial producer of high grade zinc and lead from the Plomosas mine.*

*He has overseen the recommencement of mining at Plomosas where we continue to improve our mining systems and increase production. We have established a revenue base through the treatment of ore at Santa Eulalia and sale of concentrate to Grupo Mexico which has established CZL on a sound footing for future growth. The free operating cashflows generated from Plomosas will be applied to reducing debt and recommencing resource definition drilling in the first quarter 2019.*

*“We are excited by the potential for Plomosas and are looking at opportunities for growth in Mexico and Latin America. We see a bright future in several areas which will deliver increased shareholder value.”*

As the Company has moved to a US Dollar functional currency from 1 January 2019, all Director and Executive remuneration has been re-negotiated to US Dollars as part of the Company’s remuneration review.

The key terms of the Managing Director and Executive Director Service Agreements are set out in Appendix I.

*Stephen Copulos*

Chairman

### ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX: CZL) owns 90% of the historic Plomosas Mine, located 120km from Chihuahua City, Chihuahua State, Mexico. Chihuahua State has a strong mining sector with other large base and precious metal projects in operation within the state. 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 has recommenced mining at Plomosas and is committed to exploit the potential of the high-grade Zinc, Lead and Silver Mineral Resource through the identification, exploration and exploitation of new zones of mineralisation within and adjacent to the known mineralisation with a view to identify new mineral resources that are exploitable.

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**APPENDIX I: SUMMARY OF MATERIAL TERMS OF EXECUTIVE SERVICE AGREEMENTS**

<b>Mr Brad Marwood</b>	
<b>Item</b>	<b>Remuneration</b>
Total Fixed Remuneration (TFR)	US\$270,000 per annum inclusive of any statutory superannuation.
Short term incentive (STI)	Participation in and terms of future STI are subject to the board determination and discretion.
Long term incentive (LTI)	<p>Mr Marwood's LTI has been amended to:</p> <p>30,000,000 Performance Rights convertible into fully paid ordinary shares for nil consideration in the Company on the satisfaction of the market capitalisation of the Company equal to or greater than A\$100 million over 20 consecutive trading days on which the Company's Shares have actually traded, prior to 31 December 2021.</p> <p>20,000,000 Performance Rights convertible into fully paid ordinary shares for nil consideration in the Company on the satisfaction of the market capitalisation of the Company equal to or greater than A\$200 million over 20 consecutive trading days on which the Company's Shares have actually traded, prior to 31 December 2021.</p> <p>The issue of the Performance Rights are subject to shareholder approval.</p>
Termination	6 months' notice by the company and 3 months' notice by the Executive.

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<b>Mr Andrew Richards</b>	
Item	Remuneration
Total Fixed Remuneration (TFR)	US\$100,000 per annum inclusive of any statutory superannuation, for 12 days service per month.  A daily rate of US\$1,500 applies for any services performed in excess of 12 days per month.
Short term incentive (STI)	Participation in and terms of future STI are subject to the board determination and discretion.
Long term incentive (LTI)	11,250,000 Performance Rights convertible into fully paid ordinary shares for nil consideration in the Company on the satisfaction of the market capitalisation of the Company equal to or greater than A\$100 million over 20 consecutive trading days on which the Company's Shares have actually traded, prior to 31 December 2021.  7,500,000 Performance Rights convertible into fully paid ordinary shares for nil consideration in the Company on the satisfaction of the market capitalisation of the Company equal to or greater than A\$200 million over 20 consecutive trading days on which the Company's Shares have actually traded, prior to 31 December 2021.  The issue of the Performance Rights are subject to shareholder approval.
Termination	3 months' notice by the company and 3 months' notice by the Executive.