

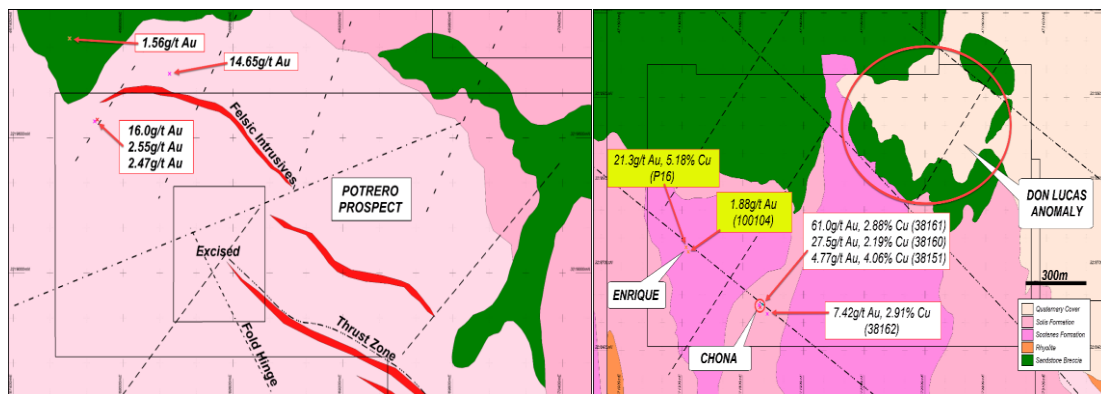
OPERATIONS AND EXPLORATION UPDATE

- Gold exploration plans completed with several key targets defined. Field mapping, sampling and drilling ready to commence when key personnel and drill rigs can be mobilised.
- Company has overcome COVID-19 challenges to resume operations and achieve year-best mining and processing performance.

Consolidated Zinc Limited (ASX: CZL or “the Company”) is pleased to advise that since restarting operations in June 2020, production at the Plomosas mine and toll treatment at the Aldama processing plant (“Aldama”) continues to show superior performance to pre-COVID-19 operations.

Exploration Update

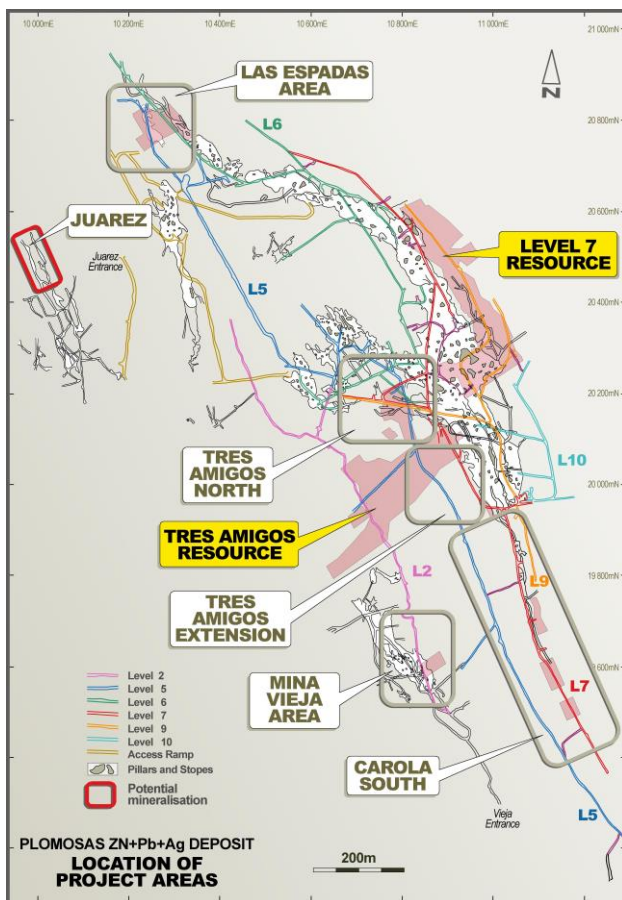
Planning for the gold exploration program has continued with desktop studies which have established targets and defined a Scope of Work for immediate commencement of field mapping, sampling and drilling in the current field season. The Covid-19 restrictions have prevented mobilisation of the independent geological teams across borders. Permit approvals for drilling and establishment of drill pads has also been impacted by local government office closures. However, the Company is poised to commence exploration work immediately the COVID-19 restrictions are relaxed and has reserved \$600,000 for exploration field work this year.



Operations Update

Zinc and lead grades exceeding 25% Zn and 8% Pb respectively are being encountered at the newly opened up Las Espadas underground area while the Semi Oxidised Ore (SOX) continues to be mined and delivered at rates above 150t/day. At Aldama the plant has achieved record availability to 10 July 2020 of 94.5% while the

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recoveries are improving above previous performance thanks to the efforts of the technical team. This comes at a time of improving metal prices with zinc back over US\$1.00/lb and lead over US\$0.85/lb. While we have been operating for a few weeks since return from COVID-19 shutdown we can see that operating costs continue to reduce as recoveries increase and cost management continue to drive efficiencies. Current zinc market conditions show signs recovery and treatment charges reflect the lack of high-quality concentrates in the market.

The Company is evaluating the potential to further reduce costs through refurbishment of the existing processing plant at the Plomosas mine. This is expected to further improve metallurgical recoveries with a specifically designed plant and through increased recoveries the cost per pound produced will be reduced.

CZL are very pleased with the efforts of all Mexican staff to meet and overcome the challenges that COVID-19 has presented and continue to be diligent in minimising risk of infection through the rigorous adherence to the safety protocols implemented.

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

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ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX: CZL) owns 100% 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 commenced 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.

Caution Regarding Forward Looking Statements and Forward-Looking Information:

This report contains forward looking statements and forward-looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of zinc and lead, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining,

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processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

Except as required by law or regulation (including the ASX Listing Rules), Consolidated Zinc undertakes no obligation to provide any additional or updated information whether as a result of new information, future events, or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Production Targets:

Production targets referred to in this report are underpinned by estimated Mineral Resources which have been prepared by competent persons in accordance with the requirements of the JORC Code. The production targets in this report are sourced from both Indicated and Inferred Mineral Resources and it should be noted that there is a low geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The stated production target is based on the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.