

10 September 2020

CZL SECURES 100% ZINC CONCENTRATE SALE FOR 2021

Highlights:

- Zinc Concentrate Offtake Agreement with Penoles, a major Latin-American mining company and one of the world's leading refiners of Zinc and the largest global refiner of silver, extended until the end of 2021
- Plans to increase zinc concentrate output through process plant modifications, expected to further reduce costs.

Consolidated Zinc Limited (ASX: CZL; "Consolidated Zinc" or "the Company") is pleased to announce its 100% owned subsidiary, Minera Latin American Zinc S.A.P.I. de C.V. ("MLAZ") has executed an extension of the Zinc Concentrate Offtake Agreement with Industrias Penoles S.A. De C.V. ("Penoles"), a major Latin-American mining company, listed on the Mexican Stock Exchange, and one of the world's leading refiners of Zinc and the largest global refiner of silver.

This extension provides certainty that 100% of the zinc concentrates produced by MLAZ in 2021 will be sold to Penoles under favourable terms. Zinc concentrate is the major product of the Plomosas Mine.

The Company plans to increase zinc concentrate output through process plant modifications to reduce the amount of zinc metal that reports to the lead concentrate. This will also further improve the high-quality lead concentrates delivered to the market, which secure premiums that reduce costs and increase the value of the lead concentrate by-product.

CZL are pleased to continue our business relationship with this outstanding company.

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. 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.

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,

10 September 2020

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.