

ENTITLEMENT OFFER CLOSED – HEAVILY OVER SUBSCRIBED

Highlights

- Entitlement Offer to raise approximately A\$2.038 million closed on 13 October 2020.
- The Offer was heavily over-subscribed, with total applications of \$3,157,580 received.
- Funds to be used to refurbish the Company's Plomosas concentrator to improve productivity and profitability of zinc and lead concentrate production.

Consolidated Zinc Limited (ASX: CZL; "Consolidated Zinc" or "the Company") is pleased to announce the fully underwritten pro-rata non-renounceable entitlements offer ("Offer") to raise \$2,038,291 (before costs) announced on 16 September 2020 has closed in accordance with the Offer timetable and was oversubscribed.

Shareholders on the record date were entitled to 3 new shares ("New Share") for every 11 shares, at an issue price of \$0.003 per New Share.

Subscribers will receive one (1) free attaching quoted option (ASX: CZLOB) for every three (3) New Shares subscribed for and issued, exercisable at A\$0.006 on or before 1 June 2023.

Consolidated Zinc received entitlement and shortfall applications as follows:

	New Shares	CZLOB Options	Amount Raised A\$
Entitlement and shortfall applications accepted	679,430,439	226,476,813	\$2,038,291
Shortfall to be subscribed for by the Underwriter (or nominees)	-	-	-
Total	679,430,439	226,476,813	\$2,038,291

The Company has applied a scale back to the shortfall applications received in accordance with section 1.11 of the Prospectus dated 20 September 2020.

The New Shares and CZLOB Options are expected to be issued on Tuesday, 20 October 2020 in accordance with the Offer timetable.

The fundraising will enable the Company to refurbish the Plomosas concentrator at the Plomosas mine site. The commencement of zinc and lead concentrate production from the refurbished concentrator, scheduled to commence in January 2021, is expected to increase zinc and lead recoveries from a flowsheet designed for Plomosas ore, at a lower processing plant operating cost than third party tolling concentrators.

The Directors thank the shareholders who participated in the Offer.

This announcement was authorised for release to the ASX by the Board.

For further information please contact:

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15 October 2020

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, 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.