

12 April 2021

ZINC CONCENTRATE TREATMENT COST REDUCED BY 47%

Key Information:

- Zinc concentrate 2021 benchmark treatment charge (TC) announced at \$159.00/t.
- 47% reduction from the 2020 TC of \$299.75/t.
- Zinc treatment charges to reduce by \$0.15/lb of payable zinc.
- 100% of zinc concentrate production for 2021 sold at the benchmark TC.

Consolidated Zinc Limited ("**Company**") (ASX:CZL) is pleased to announce the 2021 zinc concentrate benchmark treatment charge (TC) has been agreed between the major miners and smelters at US\$159.00/t of concentrate, a reduction of 47% from last year's benchmark treatment charge of US\$299.75/t.

In 2021, 100% of zinc concentrate production is sold at the benchmark TC, with the 2021 TC reduction expected to contribute to a US\$0.15/lb of payable zinc cost reduction.¹

This is expected to have a positive impact on operating costs as treatment charges in 2020 represented 33% of total operating costs (before by-product credits) and was the single largest operating cost.

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 commenced mining at Plomosas in 2018 and is committed to exploit 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.

¹ Estimate based on a zinc concentrate grade of 50%

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.