

Consolidated Zinc Limited
ACN 118 554 359

Notice of Meeting

Notice is given that the annual general meeting of the Company will be held at:

Time	2.00pm (AWST)
Date	14 May 2021
Place	HLB Mann Judd Level 4, 130 Stirling Street Perth WA 6000

Important: This Notice is an important document that should be read in its entirety. If you are in any doubt or have any questions about this document, you should promptly consult your stockbroker, accountant or other professional adviser.

Notice of Meeting

Notice is given that a general meeting of Consolidated Zinc Limited ACN 118 554 359 (**Company**) will be held at 2.00pm (AWST) on Friday, 14 May 2021 at HLB Mann Judd, Level 4, 130 Stirling Street, Perth WA 6000.

Agenda

1 Annual Report

To table and consider the Annual Report of the Company for the financial year ended 31 December 2020, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

2 Resolution 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Annual Report for the financial year ended 31 December 2020.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member, subject to the applicable exceptions described in this Notice.

3 Resolution 2 – Re-election of Angela Pankhurst as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of articles 6.3(b) and 6.3(f) of the Constitution and for all other purposes, Angela Pankhurst, who retires as a Director by rotation and, being eligible, offers herself for re-election as a Director, is re-elected as a Director.”

4 Resolutions 3(a) and (b) – Ratification of prior issue of Placement Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution, each as a separate **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the following issues of 56,250,000 Placement Shares at \$0.04 per Share:

(a) 33,344,187 Placement Shares under Listing Rule 7.1; and

(b) 22,905,813 Placement Shares under Listing Rule 7.1A,
as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the Placement (including the persons named as "material investors" in Section 5.3(d) of the Explanatory Statement), or any of their respective associates.

5 Resolution 4 – Approval to issue Shares to the Copulos Group

To consider and, if thought fit, to pass, with or without amendment, the following resolution each as a separate **ordinary resolution**:

"That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve participation of the Copulos Group in the Placement and the subsequent issue of up to 7,500,000 Shares to the Copulos Group (or its nominees), as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of the Copulos Group (and its nominees), or any of their respective associates.

6 Resolutions 5(a), (b) and (c) – Approval to issue Performance Rights to Directors

To consider and, if thought fit, to pass, with or without amendment, the following resolutions each as a separate **ordinary resolution**:

"That, pursuant to and in accordance Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of an aggregate of 6,500,000 Performance Rights to the Directors (or their nominees) under the Plan as follows:

- (a) 3,500,00 Performance Rights to Mr Bradley Marwood;
- (b) 1,500,000 Performance Rights to Mr Andrew Richards; and
- (c) 1,500,000 Performance Rights to Ms Angela Pankhurst,

as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of: (a) Resolution 5(a) by or on behalf of Mr Bradley Marwood (and his nominees), or any of their respective associates; (b) Resolution 5(b) by or on behalf of Mr Andrew Richards (and his nominees), or any of their respective associates; and (c) Resolution 5(c) by or on behalf of Ms Angela Pankhurst (and her nominees), or any of their respective associates.

Voting Prohibitions: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if: (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Further, in accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to

vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

7 Resolution 6 – Approval of the Additional 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities under the Additional 10% Placement Capacity as described in the Explanatory Statement."

Voting exclusions and exceptions

If a voting exclusion or probation applies to a Resolution then it is set out below the Resolution. The voting exclusions for the following Resolutions are subject to the following exceptions (as applicable).

Resolution	Exceptions
1, 3(a), 3(b), 4, 5(a), 5(b) and 5(c)	<p>A person (voter) described in the voting exclusion may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in the voting exclusion and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on the Resolution; and(ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
3(a), 3(b), 4, 5(a), 5(b) and 5(c)	<p>The voting exclusion does not apply to a vote cast in favour of the Resolution by:</p> <ul style="list-style-type: none">(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;(b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or(c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:<ul style="list-style-type: none">(i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and(ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

Voting entitlements

The Company has determined that, in accordance with section 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the Meeting, Shares will be taken to be held by the persons who are the registered holders at 2:00pm (AWST) on Wednesday, 12 May 2021. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting instructions

- (a) Votes at the Meeting may be given personally or by proxy, attorney or representative.
- (a) A proxy need not be a Shareholder of the Company.
- (b) The Proxy Form sent with this Notice should be used for the Meeting.
- (c) Each Shareholder who is entitled to cast 2 or more votes at the Meeting may appoint up to 2 persons to act as proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a Shareholder does not specify the proportion or number of that Shareholder's votes that each proxy may exercise, then each proxy will be entitled to exercise half of that Shareholder's votes. An additional Proxy Form will be supplied by the Company on request. No Shareholder may appoint more than 2 proxies.
- (d) In the case of a Shareholder who is an individual, a Proxy Form must be executed under the hand of the individual or their attorney duly authorised in writing and, in the case of a member that is a corporation, a Proxy Form must be executed by the corporation under common seal, pursuant to section 127 of the Corporations Act or under the hand of its duly authorised officer or attorney.
- (e) Any Shareholder may by power of attorney appoint an attorney to act on his or her behalf and such power of attorney or a certified copy of it must be received by the Company in accordance with this Notice.
- (f) Any corporation that is a Shareholder may appoint a representative to attend and vote for that corporation at the Meeting. Appointments of corporate representatives must be received by the Company in accordance with this Notice or handed in at the Meeting when registering as a corporate representative.
- (g) Any directed proxies that are not voted on a poll at the Meeting by a Shareholder's appointed proxy will automatically default to the Chair, who is required to vote proxies as directed on a poll.
- (h) A member of the Key Management Personnel (which includes each Director) will not be able to vote as proxy on Resolutions 1, 4, 5(a), 5(b) and 5(c) (**Remuneration Resolutions**) unless the Shareholder directs it how to vote or, in the case of the Chair, unless the Shareholder expressly authorises the Chair to do so.
- (i) If a Shareholder intends to appoint a member of the Key Management Personnel (other than the Chair) as its proxy, the Shareholder should ensure that it directs the member of the Key Management Personnel how to vote on a Remuneration Resolution.
- (j) If a Shareholder intends to appoint the Chair as its proxy for a Remuneration Resolution, the Shareholder can direct the Chair how to vote by marking one of the boxes for Resolution 1 (e.g. if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If a Shareholder does not direct the Chair how to vote, then by submitting the Proxy Form, the Shareholder will be expressly authorising the Chair to exercise the proxy in respect of a Remuneration Resolution even though it is connected to the remuneration of a member of the Key Management Personnel.
- (k) Proxy Forms (including any instruments under which they have been executed) and powers of attorney granted by Shareholders must be lodged with the Company's share registry, Link Market Services, by:

- (i) post to Link Market Services, Locked Bag A14, Sydney South, NSW 1235;
- (ii) hand at Link Market Services, 1A Homebush Bay Drive, Rhodes, NSW 2138;
- (iii) visiting linkmarketservices.com.au and following the links; or
- (iv) facsimile to +61 2 9287 0309,

so that they are received no later than 48 hours before the commencement of the Meeting.

- (l) The Chair intends to exercise all available proxies in favour of all Resolutions.

Document components

This document includes this Notice and the accompanying Explanatory Statement and Proxy Form.

Authorisation

By order of the Board.

Anthony Italiano
Company Secretary and Chief Financial Officer

9 April 2021

Explanatory Statement

This Explanatory Statement sets out the information which the Directors believe is material to Shareholders in deciding whether or not to pass the Resolution.

1 COVID relief

In accordance with ASIC's media release 21-061MR "ASIC adopts 'no action' position and re-issues guidelines for virtual meeting" release 29 March 2021, the Company will not send hard copies of this Notice to Shareholders. Instead, this Notice can be viewed or downloaded via the Company's website at consolidatedzinc.com.au.

2 Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2020.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at consolidatedzinc.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary via email at info@consolidatedzinc.com.au.

3 Resolution 1 – Adoption of the Remuneration Report

3.1 Overview

Subsection 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company. The Directors' Report contains the Remuneration Report which sets out the remuneration

policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

3.2 Voting consequences

In accordance with subsection 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors. If this Resolution is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

3.3 Directors recommendation

This Resolution is an ordinary resolution. The Board encourages Shareholders to vote on the adoption of the Remuneration Report.

4 Resolution 2 – Re-election of Angela Pankhurst as a Director

4.1 Overview

Article 6.3 of the Constitution provides that, at each annual general meeting of the Company, one third of its Directors (excluding any managing director) must retire from office, but are eligible for re-election at the meeting.

At this Annual General Meeting, the Company's Non-Executive Director, Ms Angela Pankhurst, retires as a Director by rotation and, being eligible, offers herself for re-election.

4.2 Director background

Ms Pankhurst is originally a Chartered Accountant undertaking audit and CFO roles, who increasingly took on non-executive and executive roles in the international resource sector becoming Managing Director of Central Asia Resources Limited in 2011 when she managed the development of the Company's gold project in Kazakhstan.

Ms Pankhurst has worked in both resource and non-resource sectors in numerous countries, including Australia, Kazakhstan, Nigeria, Dominican Republic and others in Africa and Asia.

Ms Pankhurst has also held directorships with the following listed companies in the past 3 years:

Company	Appointment	Status
Antilles Gold Limited	April 2012	Current

4.3 Directors' recommendation

The Directors (with Ms Pankhurst abstaining) recommend that Shareholders vote in favour of this Resolution.

5 Resolutions 3(a) and (b) – Ratification of prior issue of Placement Shares

5.1 General

On 15 February 2021, the Company announced that it had received binding commitments for a placement to raise approximately \$2.55 million (before costs) (**Placement**) by the issue of Shares at \$0.04 each (**Placement Shares**) to sophisticated and professional investors (**Placement Participants**).

On 19 February 2021, the Company issued a total of 56,250,000 Placement Shares to the Placement Participants using the Company's placement capacity under Listing Rules 7.1 and 7.1A to raise \$2,250,000 (before costs). The remaining 7,500,000 Placement Shares are to be issued to the Copulos Group, subject to shareholder approval pursuant to Resolution 4.

This Resolution seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares to the Placement Participants.

Each of the resolutions which form part of the Resolution is an ordinary resolution.

The Board recommends that Shareholders vote in favour of each of the resolutions which form part of this Resolution.

5.2 Listing Rules 7.1, 7.1A and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Under Listing Rule 7.1A an eligible entity can seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 31 July 2020.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rule 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rules 7.1 and 7.1A. To this end, this Resolution seeks shareholder approval for the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Placement Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1 and 10% limit under Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If this Resolution is not passed, the Placement Shares will be included in calculating the Company's 15% limit under Listing Rule 7.1 and 10% limit under Listing Rule 7.1A, effectively decreasing the number of Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

5.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) a total of 56,250,000 Placement Shares were issued on 19 February 2021 as follows:
 - (i) 33,344,187 Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval; and
 - (ii) 22,905,813 Placement Shares were issued within the 10% limit permitted under Listing Rule 7.1A, without the need for Shareholder approval;
- (b) the Placement Shares were issued at \$0.04 per Share;
- (c) the Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Placement Shares were issued to the Placement Participants, being investors selected by the Company in consultation with the Company's lead manager, Lazarus Corporate Finance Pty Ltd. Of the Placement Participants, the Copulos Group, a substantial shareholder of the Company, who the Company proposes to issue 7,500,000 Shares pursuant to the Placement, subject to shareholder approval pursuant to Resolution 4 is a "material investor" as per ASX Guidance Note 21, paragraph 7.

No other Placement Participants are considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2.
- (e) the proceeds from the issue of the Placement Shares are intended to be applied towards working capital whilst the Company realises the value held in the increased levels of run-of-mine inventory at its Plomosas Mine, the commissioning of the refurbished wholly owned Plomosas Processing Plant, as well as for costs of the Placement and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

6 Resolution 4 – Approval to issue Shares to the Copulos Group

6.1 General

Pursuant to this Resolution, the Company is seeking Shareholder approval for the participation of the Copulos Group in the Placement, being the issue of up to 7,500,000 Copulos Shares at an issue price of \$0.04 each to raise up to \$300,000 (before costs). Refer to section 5.1 for a summary of the Placement.

The Copulos Group wishes to participate in the Placement on the same terms as the Placement Participants, subject to Shareholder approval being obtained.

This Resolution seeks the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of up to 7,500,000 Copulos Shares to the Copulos Group (or its nominees) arising from its participation in the Placement (**Participation**).

This Resolution is an ordinary resolution.

The Board recommends that Shareholders vote in favour of this Resolution.

6.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The Copulos Group is a related party of the Company by virtue of being a substantial Shareholder of the Company in accordance with Listing Rule 10.11.2. As the Participation involves the issue of Shares to the Copulos Group, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

This Resolution seeks the required Shareholder approval to the proposed issue of the Copulos Shares under and for the purposes of Listing Rule 10.11.

If this Resolution is passed the Company will be able to proceed with the issue of the Copulos Shares to the Copulos Group (or its respective nominees).

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Copulos Shares to the Copulos Group (or their respective nominees) and the Company will need to return the funds received from the Copulos Group.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of the Copulos Shares to the Copulos Group (or its nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

6.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed Participation:

- (a) the Shares will be issued to the Copulos Group (or its respective nominees);
- (b) the Copulos Group is a related party of the Company by virtue of being a substantial Shareholder, with a Shareholding of 34.53% at the time of the Placement, and falls into the category stipulated by Listing Rule 10.11.2;
- (c) the maximum number of Shares to be issued to the Copulos Group is 7,500,000 Copulos Shares;
- (d) the issue price will be \$0.04 per Copulos Share, being the same as all other Shares issued under the Placement;

- (e) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Copulos Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in section 5.3(e);
- (h) the Copulos Shares are not being issued under an agreement; and
- (i) a voting exclusion statement is included in the Notice.

6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and the Copulos Group is a related party of the Company by virtue of being a substantial Shareholder for the purposes of Listing Rule 10.11.2.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to the Copulos Group on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

7 Resolutions 5(a), (b) and (c) – Approval of issue Performance Rights to Directors

7.1 General

The Company is proposing to issue up to an aggregate of 6,500,000 Performance Rights to Mr Bradley Marwood, Mr Andrew Richards and Ms Angela Pankhurst (together, the **Directors**), or their respective nominees, as follows:

Resolution	Director	Performance Rights
Resolution 5(a)	Bradley Marwood	3,500,000
Resolution 5(b)	Andrew Richards	1,500,000
Resolution 5(c)	Angela Pankhurst	1,500,000
	Total	6,500,000

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue seeks to align the efforts of the Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition,

the Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Performance Rights are to be issued under the terms of the Performance Rights Plan (**Plan**), which are summarised in the Company's 2019 notice of annual general meeting, announced on ASX on 16 April 2019.

Subject to the terms and conditions in Schedule 1, the Performance Rights will vest upon the Company achieving a 20 day VWAP of \$0.12 (**Vesting Condition**).

Resolutions 5(a) to (c) (inclusive) seek Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4), and 208 of the Corporations Act for the issue of up to a total of 6,500,000 Performance Rights under the Plan to the Directors, or their respective nominees.

Resolutions 5(a) to (c) (inclusive) are ordinary resolutions.

The Directors decline to make a recommendation to Shareholders in relation to Resolutions 5(a) to (c) (inclusive) due to their material personal interests in the outcome of the Resolutions.

7.2 Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, Equity Securities under an employee incentive scheme to:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2),
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

If Resolutions 5(a), (b) and (c) are passed, the Company will be able to proceed with the issue of the Performance Rights to the Directors (or their respective nominees) and the Directors will be remunerated accordingly.

If Resolutions 5(a), (b) and (c) are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Directors (or their respective nominees) and the Company may need to consider other forms of incentive remuneration, including by the payment of cash.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rules 7.1 or 10.11 is not required.

7.3 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered, except in certain limited circumstances.

Relevantly, section 195(4) provides that if there are not enough directors to form a quorum for a directors meeting because of the restriction set out in section 195 of the Corporations Act, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

Accordingly, for the avoidance of any doubt, for the purpose of transparency and for best practice corporate governance, the Company seeks Shareholder approval for Resolutions 5(a), (b) and (c) in accordance with 195(4) and Chapter 2E of the Corporations Act (refer to sections 7.5 and 7.6 below)

on the basis that each Director has a material personal interest in the outcome of the resolutions that make up Resolutions 5(a), (b) and (c) and therefore a relevant quorum cannot be formed to vote on whether any of the exceptions set out in sections 210 to 216 of the Corporations Act apply.

7.4 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of Performance Rights to the Directors:

- (a) the Performance Rights will be issued under the Plan to Mr Bradley Marwood, Mr Andrew Richards and Ms Angela Pankhurst (or their nominees), each of whom is a Director of the Company;
- (b) each of the Directors and falls within the category stipulated by Listing Rule 10.14.1. In the event that the Performance Rights are issued to a nominee of the Directors, that person will fall into the category stipulated by Listing Rule 10.14.2;
- (c) a maximum of 6,500,000 Performance Rights will be issued to the Directors (or their nominees), in the proportions set out in section 7.1 above. The actual number of Performance Rights that vest will be dependent on the achievement of the Vesting Condition;
- (d) the current total remuneration package for each Director is set out below:

Remuneration (per annum) ¹	Bradley Marwood ²	Andrew Richards	Angela Pankhurst
Salary and fees ³	\$270,000	\$50,000	\$70,000
Incentive payments	Nil	Nil	Nil
Leave entitlements	Statutory	Nil	Nil
Share-based payments ⁴	\$93,976	\$24,839	\$456

Notes:

- 1 The figures in the above table are expressed in United States dollars.
- 2 Mr Marwood has a short term incentive plan in place with the Company pursuant to which he is eligible to earn up to 45% of his base salary subject to the satisfaction of certain KPI's.
- 3 Salary and fees are inclusive of any statutory superannuation.
- 4 The value of Performance Rights the subject of this Resolution are not reflected above and are sourced from the 2019 Annual Report released on 29 April 2020.

- (e) the names of all persons referred to in Listing Rule 10.14 who have received Securities under the Plan since it was approved by Shareholders at the 2019 annual general meeting held on 23 May 2019, the number of the Securities received and the acquisition price for each Security is set out below:

Related party (or associates)	Performance Right	Acquisition price	Exercise price (each)	Vesting date
Brad Marwood	750,000	\$nil	\$nil	31 December 2019

- (f) the Performance Rights will be issued on the terms set out in Schedule 1;
- (g) the Performance Rights will be issued no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);

- (h) the Performance Rights will be issued for nil cash consideration as they will be issued as part of each Director's remuneration package and therefore no funds will be raised as a result of the issues. Funds raised upon any exercise of the Performance Rights are intended to be used for general working capital purposes;
- (i) the Performance Rights are not being issued under any agreement;
- (j) no loan will be provided to the Directors in relation to the issue of the Performance Rights;
- (k) details of any Performance Rights issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under that rule; and
- (l) a voting exclusion statement is included in the Notice.

7.5 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

It is the view of the Board that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the proposed issued of the Performance Rights pursuant to Resolutions 5(a), (b) and (c).

7.6 Information requirements for Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) **Identity of the related parties to whom Resolutions 5(a), (b) and (c) permits financial benefits to be given**

The Performance Rights will be issued to each Director, or their respective nominees.

- (b) **Nature of the financial benefit**

Resolutions 5(a), (b) and (c) seeks approval from Shareholders to allow the Company to issue the Performance Rights specified in section 7.1 above to each Director (or their nominees). The Performance Rights are to be issued on the terms and conditions set out in Schedule 1.

The Shares to be issued upon conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

(c) **Valuation of financial benefit**

Using the Hoadley model valuation method, the Company's valuation of the Performance Rights completed by AnLar Consulting is in Schedule 2, with a summary for each Director below:

Director	Value of Performance Rights
Bradley Marwood	\$111,685
Andrew Richards	\$47,865
Angela Pankhurst	\$47,865

(d) **Remuneration of the Directors**

The total annual remuneration arrangements current for each Director is set out in Section 7.4(d) above.

(e) **Existing relevant interests**

At the date of this Notice, each Director holds the following relevant interest in Equity Securities of the Company:

Director	Shares	Quoted Options ¹	Performance Rights ⁹
Bradley Marwood ¹	247,417 ²	3,387	3,333,333 ³
Andrew Richards	1,442,423 ⁴	310,696 ⁵	1,250,000 ⁶
Angela Pankhurst	46,195 ⁷	12,373 ⁸	Nil

Notes:

- 1 Options exercisable at \$0.09 each on or before 1 June 2023.
- 2 Comprising:
 - (a) 47,417 Shares held directly by Mr Marwood; and
 - (b) 200,000 Shares held indirectly through B Marwood Co Pty Ltd.
- 3 Held indirectly through Corporate Mining Resources Pty Ltd, an entity controlled by Mr Marwood, and comprising:
 - (a) 2,000,000 Class O Performance Rights; and
 - (b) 1,333,333 Class P Performance Rights.
- 4 Comprising:
 - (a) 1,416,969 Shares held directly by Mr Andrew Lehane Richards & Mrs Kerry Suzanne Richards ATF the Ankemala Super Fund A/C; and
 - (b) 25,454 Shares held indirectly through Arc Resources Pty Ltd ATF AK Growth Trust, of which Mr Richards controls the corporate trustee (**Arc Resources**).
- 5 Comprising:
 - (a) 201,212 Quoted Options held directly by Mr Andrew Lehane Richards & Mrs Kerry Suzanne Richards ATF the Ankemala Super Fund A/C; and
 - (b) 109,484 Quoted Options held indirectly through Arc Resources.
- 6 Held indirectly by Arc Resources and comprising:
 - (a) 750,000 Class O Performance Rights; and
 - (b) 500,000 Class P Performance Rights.

- 7 Comprising:
- (a) 39,596 Shares held indirectly through Dent Financial Pty Ltd ATF Angela Dent Superannuation Fund, of which Ms Pankhurst is the controller of the corporate trustee (**Dent Financial**); and
 - (b) 6,599 Shares held indirectly by Angela Pankhurst ATF the Angela Dent Investments Trust.
- 8 Comprising:
- (a) 10,606 Quoted Options held indirectly through Dent Financial; and
 - (b) 1,767 Quoted Options held indirectly by Angela Pankhurst ATF the Angela Dent Investments Trust.
- 9 These Performance Rights were not issued under the Company's existing Plan.

Assuming that Resolutions 5(a), (b) and (c) are approved by Shareholders, all of Performance Rights are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised (including those to be issued, subject to shareholder approval, under this Notice), the respective interests of the Directors in the Company would be as follows:

- (i) Mr Marwood's interest would represent approximately 1.25% of the Company's expanded capital;
- (ii) Mr Richards interest would represent approximately 0.98% of the Company's expanded capital; and
- (iii) Ms Pankhurst's interest would represent approximately 0.51% of the Company's expanded capital.

(f) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.057 per Share on various dates.

Lowest: \$0.036 per Share on various dates.

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.040] per Share on 8 April 2021.

(g) **Dilution**

The issue of the Performance Rights will have a diluting effect of 2.16% on the percentage interest of existing Shareholders' holdings if the Performance Rights vest and are exercised, assuming the current Share capital structure as at the date of this Notice (being 293,857,802 Shares on 8 April 2021) and that no Shares are issued (including those to be issued, subject to shareholder approval, under this Notice) other than the Shares issued on exercise of the Performance Rights.

The exercise of all of the Performance Rights will result in a total dilution of all other Shareholders' holdings of 1.76% on a fully diluted basis (assuming that all Options and Performance Rights currently on issue are exercised and no further Shares are issued, including those to be issued, subject to shareholder approval, under this Notice).

The actual dilution will depend on the extent that additional Shares are issued by the Company (including any Shares issued which are the subject of the other Resolutions included in this Notice).

(h) **Corporate governance**

The Board acknowledges the grant of the Performance Rights to each Director is contrary to Recommendation 8.2 of the 4th edition of the ASX Corporate Governance Council's

Corporate Governance Principles and Recommendations. However, the Board considers the grant of Performance Rights to each Director is reasonable in the circumstances for the reasons set out in section 7.1.

(i) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Performance Rights (including fringe benefits tax).

(j) **Director recommendations**

The Directors decline to make a recommendation to Shareholders in relation to Resolutions 5(a), (b) to (c) due to their material personal interests in the outcome of the Resolutions.

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 5(a), (b) and (c).

8 Resolution 6 – Approval of the Additional 10% Placement Capacity

8.1 General

Listing Rule 7.1A provides that an 'eligible entity' may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital at the time of issue calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 (**Additional 10% Placement Capacity**) without using that company's existing 15% annual placement capacity under Listing Rule 7.1 and without requiring further shareholder approval prior to the issue.

The Company is seeking approval under this Resolution to have the flexibility to issue additional Equity Securities under the Additional 10% Placement Capacity. As at the date of this Notice, no decision has been made by the Company to undertake any issue of Equity Securities under the Additional 10% Placement Capacity if Shareholders approve this Resolution.

This Resolution seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the Additional 10% Placement Capacity during the Additional 10% Placement Period (refer to section 8.3(a) below). The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

If this Resolution is passed, the Company will effectively be able to issue equity securities up to a combined annual placement capacity of 25% under Listing Rules 7.1 and 7.1A (subject to certain restrictions) without necessarily requiring prior Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the Additional 10% Placement Capacity to issue equity securities without Shareholder approval. This means the Company will only have access to the 15% annual placement capacity for issuing equity securities without necessarily requiring prior Shareholder approval under Listing Rule 7.1.

The Board recommends that Shareholders vote in favour of this Resolution.

8.2 Listing Rule 7.1A

(a) Eligible Entity

Under the Listing Rules, an 'eligible entity' is an entity which, as at the date of the relevant resolution, is not included in the S&P/ASX300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300 million. The Company is currently an 'eligible entity'.

(b) Special resolution

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

(c) Type of Securities which may be issued

Any Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the company.

As at the date of the Notice, the Company has on issue two quoted class of Equity Securities; Shares (ASX:CZL) and quoted Options (ASX:CZLOB).

(d) Interaction with Listing Rule 7.1

The Additional 10% Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. Therefore, approval of this Resolution will enable the Company to issue Equity Securities under Listing Rule 7.1A without using its placement capacity under Listing Rule 7.1.

(e) Effect of this Resolution

The effect of this Resolution will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the Additional 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

8.3 Information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the Additional 10% Placement Capacity:

(a) Effective period

Shareholder approval of the Additional 10% Placement Capacity is valid from the date of the Meeting and expires on the earlier of:

- (i) the date that is 12 months after the Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (change involving main undertaking),

(Additional 10% Placement Period).

(b) Minimum issue price

The issue price of Equity Securities issued under the Additional 10% Placement Capacity must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the issue price is agreed for Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

The Company will disclose this information when Equity Securities are issued under the Additional 10% Placement Capacity.

(c) Purpose of issue

The Company may only issue Equity Securities under the Additional 10% Placement Capacity for cash consideration, which it may do to fund any one or more of the following:

- (i) general working capital expenses;
- (ii) activities associated with its current assets, including towards the Company realising the value held in the increased levels of run-of-mine inventory at its Plomosas Mine and the commissioning of the refurbished wholly owned Plomosas Processing Plant;
- (iii) fund the repayment of debt through raising cash consideration via the issue of Equity Securities under the Additional 10% Placement Capacity; and
- (iv) acquisition and investment in new assets (including associated expenses) for cash consideration raised through the issue of Equity Securities under the Additional 10% Placement Capacity.

The Company will disclose this information when Equity Securities are issued under the Additional 10% Placement Capacity.

(d) Economic and voting dilution risks

If Equity Securities are issued under the Additional 10% Placement Capacity, there is a risk of economic and voting dilution of Shareholders, including:

- (i) the market price for Equity Securities in the class of securities issued under the Additional 10% Placement Capacity may be significantly lower on the issue date than on the date of approval under Listing Rule 7.1A (i.e. the date of the Meeting); and
- (ii) the Equity Securities may be issued under the Additional 10% Placement Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised from the issue of the Equity Securities.

The table below illustrates:

- (i) the dilution of existing Shareholders on the basis of the market price of Shares and the number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice (Variable A);
- (ii) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue as at the date of this Notice. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (e.g. a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and

- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 8 April 2021.

Number of Shares on issue (Variable 'A' in Listing Rule 7.1A2)	Issue price per Share			
		\$0.02 (50% decrease)	\$0.04 (current)	\$0.06 (50% increase)
293,857,802 (current)	Shares issued – 10% voting dilution	29,385,780 Shares	29,385,780 Shares	29,385,780 Shares
	Funds raised	\$587,716	\$1,175,431	\$1,763,147
440,786,703 (50% increase)	Shares issued – 10% voting dilution	44,078,670 Shares	44,078,670 Shares	44,078,670 Shares
	Funds raised	\$881,573	\$1,763,147	\$2,644,720
587,715,604 (100% increase)	Shares issued – 10% voting dilution	58,771,560 Shares	58,771,560 Shares	58,771,560 Shares
	Funds raised	\$1,175,431	\$2,350,862	\$3,526,294

Notes:

- 1 There are currently 293,857,802 Shares on issue (including Shares subject to escrow).
- 2 The issue price used is the closing price of the Shares on the ASX on 8 April 2021.
- 3 The Company issues the maximum possible number of Equity Securities under the Additional 10% Placement Capacity.
- 4 The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- 5 The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares and the consideration provided for those Shares is cash. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes new Options, it is assumed that those new Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- 6 The calculations do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- 7 This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
- 8 The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(e) **Allocation policy**

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional 10% Placement Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional 10% Placement Capacity, including whether the Company will engage with new investors or existing Shareholders and, if so, the identities of any such persons.

However, when determining the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

- (i) prevailing market conditions;
- (ii) the purpose for the issue of the Equity Securities;
- (iii) the financial situation and solvency of the Company;
- (iv) impacts of the placement on control;
- (v) other methods of raising capital; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties who would otherwise require Shareholder approval under Listing Rule 10.11.

(f) **Previous approval and issues under Listing Rule 7.1A**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 31 July 2020.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued 22,905,813 Equity Securities pursuant to Listing Rule 7.1A. This represents 16.59% of the total number of Equity Securities on issue at the commencement of that 12 month period (taking into account the Company's consolidation of its issued capital on a 1 for 15 basis which took effect on 21 December 2020).

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting are set out in Schedule 3.

(g) **Voting exclusion statement**

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Definitions

Additional 10% Placement Capacity has the meaning given in section 8.1.

Annual Report means the annual report for the Company (including the Directors' Report, the Financial Report and the Auditor's Report) in respect of the financial year ended 31 December 2020.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.

Auditor means the auditor of the Company.

Auditor's Report means the auditor's report on the Financial Report.

AWST means Western Standard Time being the time in Perth, Western Australia.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting.

Company means Consolidated Zinc Limited ACN 118 554 359.

Copulos Group means Stephen Copulos and his controlled entities (including Citywest Corp Pty Ltd ACN 081 721 413 <ATF Copulos (Sunshine) Unit Trust>, Eyeon No 2 Pty Ltd ACN 147 903 446 and Eyeon Investments Pty Ltd ACN 096 482 781), or any one or more of them (as applicable).

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the directors' report for the Company prepared under Chapter 2M of the Corporations Act in respect of the financial year ended 31 December 2020.

Equity Security has the meaning given in Listing Rule 19.12, and includes a Share, an Option, a right to a Share or Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement (including all section references, definitions, schedules, attachments and similar components within this document) which forms part of the Notice.

Financial Report means the financial report for the Company prepared under Chapter 2M of the Corporations Act in respect of the financial year ended 31 December 2020.

Key Management Personnel has the meaning given in the accounting standards issued by the Australian Accounting Standards Board. It includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company or, if the Company is part of a consolidated entity, the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entities, of an entity within the consolidated group.

Listing Rules means the listing rules of ASX.

Meeting or **Annual General Meeting** means the meeting convened by the Notice.

Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share with the terms and conditions set out in Schedule 1.

Placement has the meaning given in section 5.1 of the Explanatory Statement.

Placement Participant has the meaning given in section 5.1 of the Explanatory Statement.

Placement Shares has the meaning given in section 5.1 of the Explanatory Statement.

Plan means the Company's Performance Rights Plan, as approved at the Company's annual general meeting held on 23 May 2019.

Proxy Form means the proxy form attached to or accompanying the Notice.

Resolution means a resolution referred to in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of one or more Shares.

Schedule 1 – Terms and conditions of Performance Rights

1 **(Entitlement)** Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2 **(Plan)** The Company will grant 6,500,000 Performance Rights under the Company's Performance Rights Plan (**Plan**).

Terms not otherwise defined in these terms have the same meaning as in the Plan.

In the event of any inconsistency between the Plan and these terms, these terms will apply to the extent of the inconsistency.

3 **(Conditions)** The Performance Rights will vest based on the Company achieving a 20 day VWAP of \$0.12 (**Vesting Condition**).

4 **(Vesting)** Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant remaining as an officeholder, or employed or engaged by the Group at the date of achievement of the relevant Vesting Condition, the Performance Rights will vest on the date the relevant Vesting Condition has been satisfied. The Company will notify the holder in writing when a Vesting Condition has been satisfied.

5 **(Expiry Date)** The Performance Rights will lapse upon the earlier to occur of:

- (a) Vesting Condition not being satisfied on or before 31 December 2023 (**Expiry Date**); or
- (b) the Performance Rights lapsing and being forfeited under the Plan or these terms and conditions,

and, for the avoidance of doubt, any vested but unexercised Performance Rights will automatically lapse on that date.

6 **(Conversion)** Upon vesting, each Performance Right will, at the holder's election, convert into one Share. The Participant may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out an exercise notice in the form provided by the Company and returning to the Company Secretary (**Exercise Notice**).

7 **(Shares issued on conversion)** Shares issued on conversion of the Performance Rights rank equally with the then Shares of the Company.

8 **(No cash consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the issue of Shares after conversion.

9 **(Quotation of the Performance Rights)** The Performance Rights will be unquoted.

10 **(Transferability of the Performance Rights)** The Performance Rights are not transferable, except with the prior written approval of the Company.

11 **(Timing of issue of Shares)** Within 15 business days after the later of the following:

- (a) the date of receipt of an Exercise Notice or the date that the Performance Rights convert pursuant to clause 17 (as applicable); and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (c) issue the Shares pursuant to the exercise of the Performance Rights;
- (d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (e) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

If the Company is unable to deliver a notice under clause 11(d) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a "cleansing prospectus" is required, any Shares issued on conversion of Performance Rights will be subject to a holding lock until such time as a prospectus is issued by the Company. The Company must issue the prospectus by no later than 60 days after the date of issue of the Shares, or such later date as is agreed with the Performance Right holder.

- 12 **(Quotation of Shares on conversion)** Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the conversion of the Performance Rights.
- 13 **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
- 14 **(Participation in entitlements and bonus issues)** Subject always to the rights under clause 15 and 16, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- 15 **(Adjustment for bonus issue)** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.
- 16 **(Adjustments for reorganisation)** In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.
- 17 **(Leaver)** Where the holder of the Performance Rights (or the relevant Eligible Participant in the case of a Permitted Nominee) of the Performance Rights is no longer employed, or their office or engagement is discontinued with the Group, any unvested Performance Rights will automatically lapse and be forfeited by the holder, unless the Board otherwise determines in its discretion in accordance with the Plan.
- 18 **(Change of Control)** If prior to the earlier of the conversion of Performance Rights or the Expiry Date a Change in Control Event (as defined in the Plan) occurs, then the Board may determine in its discretion whether the Performance Right vest or cease to be subject to restrictions (as applicable) although the Board may specify in an offer to an Eligible Participant that a different treatment will apply if a Change of Control Event occurs.

Schedule 2 – Valuation of Performance Rights

The Performance Rights to be issued to the Directors pursuant to Resolutions 5(a), (b) and (c) have been valued according to the Hoadley model valuation method on the following assumptions:

Related Party	Bradley Marwood	Andrew Richards	Angela Pankhurst
Performance Rights			
Assumed Share price at grant date	\$0.041	\$0.041	\$0.041
Exercise price	\$nil	\$nil	\$nil
Exercise price premium to market value	\$nil	\$nil	\$nil
Expiry date	31 December 2023	31 December 2023	31 December 2023
Expected volatility	178.41%	178.41%	178.41%
Risk free interest rate	0.08%	0.08%	0.08%
Annualised dividend yield	Nil	Nil	Nil
Value of each Performance Right	\$0.03191	\$0.03191	\$0.03191
Aggregate value of Performance Rights	\$111,685	\$47,865	\$47,865

Notes:

The valuations took into account the following matters:

- Each Performance Right vests upon the Company achieving a 20 day VWAP of \$0.12 (**Vesting Condition**). Upon achievement of the Vesting Condition each Performance Right will convert into one Share.
- Given that the Performance Rights are to be issued for no cash consideration, the value of the Performance Rights is reflected in the underlying Share price at the valuation date. The Share price used is based on the closing price on 12 March 2021, being \$0.041.
- No consideration is to be paid upon exercising the Performance Rights.

Schedule 3 – Equity Securities issued in the previous 12 months under Listing Rule 7.1A.2

In accordance with Listing Rule 7.3A.6, details of each issue of or agreement to issue Equity Securities under Listing Rule 7.1A.2 by the Company during the 12 months preceding the date of the Meeting are set out in the table below:

Date of Issue	Number of Securities	Type of Security	Recipient of Security/Basis on which recipients were identified or selected	Issue Price and details of any discount to Market Price ¹ (if applicable) on date of issue/agreement	Cash consideration received/to be received and Use of Funds
19 February 2021	22,905,813	Shares	Sophisticated and professional investors under the Placement	\$0.04 per Share, representing a discount of 9.1% to the Market Price on the date of issue	\$916,232 (before costs) was raised, of which \$0 has been expended, with the remainder intended to also be spent on capital expenditure and for working capital requirements.

Notes:

- 1 "Market Price" means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

Proxy Form

LODGE YOUR VOTE**ONLINE**www.linkmarketservices.com.au**BY MAIL**Consolidated Zinc Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia**BY FAX**

+61 2 9287 0309

**BY HAND**Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138**ALL ENQUIRIES TO**

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2:00pm (AWST) on Wednesday, 12 May 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using:

**ONLINE**www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

**BY MOBILE DEVICE**

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code**HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM****YOUR NAME AND ADDRESS**

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Consolidated Zinc Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AWST) on Friday, 14 May 2021 at HLB Mann Judd, Level 4, 130 Stirling Street, Perth WA 6000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 5a, 5b & 5c: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 5a, 5b & 5c, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of the Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Angela Pankhurst as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3a Ratification of prior Issue of Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3b Ratification of prior Issue of Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval to Issue Shares to the Copulos Group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5a Approval to Performance Rights to Mr Bradley Marwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5b Approval to Issue Performance Rights to Mr Andrew Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5c Approval to Issue Performance Rights to Ms Angela Pankhurst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

CZL PRX2101D