

Offtake Agreement for 100% of Plomosas Lead Sulphide and Oxide Concentrates

Consolidated Zinc Limited (ASX: CZL; “Consolidated Zinc” or “the Company”) is pleased to announce Metco Trading S.A. de C.V. (“Metco”) and the Company’s Mexican subsidiary, Minera Latin American Zinc SAPI de CV (“MLAZ”) have entered into an offtake agreement for the sale of 100% of the Plomosas lead concentrates produced from Plomosas for calendar year 2022.

The key terms of the offtake agreement include:

- Purchase of 100% of lead sulphide concentrates produced from Plomosas;
- Purchase of 100% of lead oxide concentrates, a new lead concentrate product from Plomosas planned to commence production during the 1st quarter of 2022; and
- Fixed treatment charges for 2022, include the new lead oxide concentrates.

Lead sulphide concentrates produced from Plomosas are high-quality, with very low levels of deleterious impurities which minimises treatment charges.

About Metco

Metco is a Latin-American metals trading entity, privately owned and specialising in the purchase of zinc and lead concentrates from Latin America. MLAZ has sold lead concentrates to Metco from 2019 onwards.

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 recommenced mining at Plomosas and is committed to exploit the potential of the high-grade Zinc, Lead and Silver Mineral Resource through the identification and exploration 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.

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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 and other reports 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 and other reports 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.

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.