

CZL BOARD AND MANAGEMENT CHANGES

Key Information:

Following the acquisition of the Pilbara Lithium assets, these changes have been made to CZL Board and management:

- Mr Andrew Richards is retiring as non-executive Chairman, Mr Brad Marwood will become Executive Chairman
- Mr Anthony Italiano will join the Board as an Executive Director
- All Board changes are effective 1 September 2022
- Mr Peter McNeil has been appointed as Exploration Manager

Consolidated Zinc Limited (**Company or CZL**) (ASX: CZL) is pleased to advise that the Company has undertaken changes to its Board and management to best manage the additional exploration requirements for the Company following the acquisition of the Pilbara Lithium assets, whilst maintaining focus on maximising returns on CZL's investment in the Plomosas Mine in Mexico.

Mr Andrew Richards will retire as Chairman of the Board, and Managing Director, Mr Brad Marwood, will be appointed as Executive Chairman effective from 1 September 2022. At the same time Mr Anthony Italiano, CZL's Company Secretary and Chief Financial officer will join the Board as an Executive Director.

Mr Andrew Richards was instrumental in CZL's acquisition of the Plomosas mine and associated infrastructure. He has served the shareholders since 2015 and directed many of the changes to CZL's business since then. The recent acquisition of the Westoz Lithium assets would not have proceeded as smoothly without his stewardship.

Mr Brad Marwood stated "Andrew has been a great supporter of CZL and provided sage council. It has been my pleasure to work with Andrew and I hope to do so again. I thank him for his direction during his tenure at CZL."

Anthony Italiano has over 20 years' experience in the natural resources sector and brings to the Board a deep understanding of the commercial challenges facing mining operations in these dynamic times. He will bring to the Board his industry experience, risk management skills and practical knowledge of daily management and corporate requirements in Mexico.

Innovative new technologies and additional management accounting skills have been employed in Perth to improve separation of duty and other controls, enhance reporting and reduce overheads as Anthony joins the Board.

10 August 2022

These changes will result in a Board with a majority of executive directors, and the CEO and Chair roles being held by the same person. This does not comply with ASX Corporate Governance Principles and Recommendations which CZL supports, however the recommendations have been balanced with the need to maximise required skill sets and minimise costs. Board composition will be reviewed regularly and changed when appropriate.

Mr Peter McNeil has been appointed as CZL's Exploration Manager, to manage all aspects of the Pilbara Lithium exploration program as well as overseeing proposed exploration around the Plomosas mine in Mexico. Peter has managed exploration in several countries for over 30 years and brings a wealth of experience to CZL. His insights will be invaluable as CZL seeks to capitalise on the potential of its Mexican assets while advancing its new lithium assets to provide lithium, in addition to zinc, to the Electric Vehicle (EV) market.

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.

CZL also holds 1,400km² of prospective exploration licences in the Pilbara and Gascoyne regions with the potential discovery of Lithium, rare earths, zinc, lead, and silver. Adjacent to gold and iron ore discoveries CZL have commenced exploring for minerals in the Pilbara region.

Appendix A: Summary of material terms of Mr Anthony Italiano Employment Agreement

Term	No fixed term
Remuneration	US\$220,000 per annum inclusive of statutory superannuation, subject to periodic annual reviews
Incentive Schemes	<p><u>Short term incentives</u></p> <p>4,000,000 performance rights to be issued (subject to shareholder approval to be sought prior to 31 October 2022). The performance rights will vest on achieving a 20-day VWAP of \$0.04 on or before 31 December 2023.</p> <p>Mr Italiano is entitled to a 1.0% bonus payable on the cash proceeds received by CZL from any transaction that results in CZL no longer controlling the Plomosas Project.</p> <p><u>Long term incentives</u></p> <p>Performance rights to be issued (subject to shareholder approval). The quantity and vesting criteria of the performance rights are to be agreed between Mr Italiano and the Company, on or before 31 December 2022, once planning for the exploitation of CZLs new lithium assets.</p>
Termination	<p>Termination by Notice – either party may terminate with 3 months’ notice.</p> <p>Company may terminate without notice in certain circumstances including for serious misconduct or other circumstances justifying such termination.</p> <p>Mr Italiano may terminate under the usual circumstances, including the Company failing to meet any of its material obligations under the Employment Agreement.</p>
Other provisions	Customary provisions including leave entitlements and reimbursement of company related expenses.

Mr Brad Marwood is eligible for the same STIs and LTIs as Mr Anthony Italiano, subject to shareholder approval where required. There has been no other substantive changes to his contract.