Consolidated Minerals Limited

Financial Results for the three months and nine months to 30 September 2012

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Consolidated Minerals Limited ('Consmin' or the 'Company')

Report for the Third Quarter ending 30 September 2012

29 November 2012

All figures in accordance with IFRS and in United States Dollars, unless otherwise stated

Consmin, a leading manganese ore producer with mining operations in Australia and Ghana, announces its quarterly results for the period ended 30 Sept 2012.

Key highlights

- During the quarter, prices remained steady at US$5.35/dmtu for manganese lump CIF China 45.5% grade material before declining by 3% in October to US$5.20/ dmtu with this price rolling over into November and December.
- Manganese sales tonnes were down 20% in Q3 2012, primarily as a result of lower sales of Ghana ore due to weakness in the EMM market and lower Australian sales due to increased sales of chromite ore. This resulted in revenue decreasing by 20% from Q3 2011.
- In line with the mine plans, Ghana manganese ore production increased 10% and Australian manganese ore production was broadly flat in Q3 2012 compared to Q3 2011. Overall, total manganese ore produced in Q3 2012 was 6% higher compared to Q3 2011.
- Manganese C1 cash costs in Q3 2012 were down 19% to $2.93/dmtu, compared to Q3 2011. C1 cash costs have continued to reduce each quarter from a peak of $3.78 in Q2 2011 to $2.93 in Q3 2012.
- Total Australian resources have increased 22% and reserves have increased 8% compared to the June 2011 resources and reserves statement.

Key Performance Indicators

Unaudited	Quarter Ended			Nine Months Ended		
	30 Sept 2012	30 Sept 2011	% change	30 Sept 2012	30 Sept 2011	% change
Manganese ore produced (dry kt)	873.5	822.7	6.2%	2,495.4	2,403.8	3.8%
Manganese ore sales (dry kt)	748.6	940.9	(20.4%)	2,154.5	2,624.0	(17.9%)
Average C1 manganese unit cash cost ($/dmtu)[1]	2.93	3.63	(19.3%)	3.05	3.64	(16.2%)
Average C1 manganese unit cash cost restated to corresponding average 2011 FX rate ($/dmtu) [1]	2.92	3.58	(18.4%)	3.05	3.62	(15.7%)
Average manganese FOB Sales price ($/dmtu)	4.44	5.05	(12.1%)	4.27	5.10	(16.3%)
Chromite ore produced (kt)	109.3	93.5	16.9%	331.7	225.1	47.4%
Chromite sales (kt)	157.8	91.9	71.7%	367.8	184.7	99.1%
Average C1 chromite unit cash cost ($/t)[1]	212	215	(1.4%)	208	243	(14.4%)
Average chromite FOB sales price ($/t)	198	231	(14.3%)	211	257	(17.9%)
Revenue ($ million)	149.7	188.1	(20.4%)	411.9	536.4	(23.2%)
Adjusted EBITDA ($ million)[2]	10.7	14.6	(26.7%)	32.8	105.2	(68.8%)
'Cash' EBITDA ($ million)[3]	29.3	53.0	(44.7%)	47.3	130.7	(63.8%)
(Loss) / profit for the period	(4.5)	15.7	(128.7%)	(9.5)	17.0	(155.9%)

Unaudited	Quarter Ended 30 Sept 2012	Year Ended 31 December 2011	% change
Cash and cash equivalents ($ million)	132.7	155.2	(14.5%)
Gross debt ($ million)	(375.2)	(417.4)	(10.1%)
Gross debt excluding high yield bonds ($ million)	(21.3)	(44.0)	(51.6%)
Net debt ($ million)	(242.5)	(262.2)	(7.5%)

[1] Average C1 manganese or chromite unit cash cost represents the cash cost incurred at each processing stage from mining through to shiploading, over the total manganese dmtus or chromite tonnes produced. Included within the C1 manganese and chromite unit cash costs are an allocation of offsite, non-corporate and support services. Depreciation, government royalty payments, deferred stripping adjustments and stockpile movements are not included in the calculation.

[2] Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net foreign exchange gain/loss and non-cash inventory write-downs. Adjusted EBITDA is not a uniformly or legally defined measure and is not recognised under IFRS or any other generally accepted accounting principles. The Directors use this measure as an indicator of our representative, recurring operations and to reflect how the business is managed and measured. Other companies in the mining industry may calculate this measure differently and consequently, our presentation of Adjusted EBITDA may not be readily comparable to other companies' figures.

[3] 'Cash' EBITDA is defined as Adjusted EBITDA after removing the impact of the non-cash items of deferred stripping and net movement in inventories.

Commenting on the results, Jackie Callaway (CFO of Consmin) said:

"Consmin has again produced a strong operational performance in the quarter with a 6% increase in the volumes of manganese ore produced and a 17% increase in the volume of chromite ore produced compared to the same quarter of the previous year.

Manganese C1 cash costs have continued to reduce each quarter from a peak of $3.78 in Q2 2011 to $2.93 in Q3 2012 as a result of the successful implementation of cost reduction initiatives.

The Australian operations have issued an updated resources and reserves statement. Total Australian resources have increased 22% and reserves have increased 8% compared to the June 2011 resources and reserves statement."

About Consolidated Minerals Limited

Consmin is a leading manganese ore producer within mining operations in Australia and Ghana. The principal activities of the Company and its subsidiaries (the "Group") are the exploration, mining, processing and sale of manganese products. The Group's operations are primarily conducted through four major operating/trading subsidiaries; Consolidated Minerals Pty Limited (Australia), Ghana Manganese Company Limited (Ghana), Manganese Trading Limited (Jersey) and Pilbara Trading Limited (Jersey).

Consolidated Minerals Limited is headquartered in Jersey and the address of its office is Commercial House, 3 Commercial Street, St Helier, Jersey, Channel Islands, JE2 3RU.

Company Information

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Conference Call

There will be a conference call for analysts and bondholders on 29 November 2012 at 1pm GMT.

To access the quarterly results conference call, you must first register in advance on:
http://emea.directeventreg.com/registration/36626880

The quarterly results conference call, conference ID 36626880, can then be accessed by dialling:
UK: +44 (0) 1452 580 655

Market, Economic and Industry

Market, economic and industry data used throughout this report has been derived from various industry and other independent sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and such industry forecasts may not have been updated. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward looking statements contained in this report.

Forward looking statements

This report includes "forward-looking statements" that express or imply expectations of future events or results. Forward-looking statements are statements that are not historical facts. These statements include, without limitation, financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future production, operations, costs, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words 'plans,' 'expects,' 'anticipates,' 'believes,' 'intends,' 'estimates' and other similar expressions.

All forward-looking statements involve a number of risks, uncertainties and other factors. Although Consmin's management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Consmin, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements contained in this report. Factors that could cause or contribute to differences between the actual results, performance and achievements of Consmin include, but are not limited to, political, economic and business conditions, industry trends, competition, commodity prices, changes in regulation, currency fluctuations (including the Australian dollar and US dollar exchange rates), Consmin's ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, and to timely and successfully process its mineral reserves which may or may not occur. Consmin is also exposed to the risk of trespass, theft and vandalism, changes in its business strategy, as well as risks and hazards associated with the business of mineral exploration, development, mining and production. Accordingly, investors should not place reliance on forward looking statements contained in this report.

The forward-looking statements in this report reflect information available at the time of preparing this report. Subject to the requirements of the applicable law, Consmin explicitly disclaims any obligation or undertaking publicly to release the result of any revisions to any forward- looking statements in this report that may occur due to any change in Consmin's expectations or to reflect events or circumstances after the date of this report. No statements made in this report regarding expectations of future profits are profit forecasts or estimates, and no statements made in this report should be interpreted to mean that Consmin's profits for any future period will necessarily match or exceed the historical published profits of Consmin or any other level.

Marketing Review

Manganese Segment

The third quarter of 2012 saw a dichotomy between steel / stainless steel production and raw material market sentiment. Chinese steel production maintained a healthy run rate of 178 million tonnes for the quarter, or 712 million tonnes annualised (driving demand for manganese ore) in contradiction to a slowing Chinese economy and subdued end markets for steel. With the majority of Chinese steel mills reporting significantly reduced margins or even losses during the quarter, steel mills have sought to reduce production costs and have put significant pressure on all raw material suppliers to reduce prices. Chinese manganese alloy prices came under pressure during the quarter and fell approximately 10% forcing producers to look to reduce costs through decreased stock positions and production cut backs, creating a difficult operating environment throughout the steel supply chain.

Chinese port stocks of manganese ore continued to fall to 2.5 million tonnes by the end of the quarter, down from 3.6 million tonnes at the start of Q1, representing a drop of 28% YTD. Manganese ore imports totalled 3.3 million tonnes for the quarter and 9.2 million tonnes year to date; a clear sign that consumption of manganese ore in the alloy industry remains robust. China is expected to consume in excess of 13 million tonnes of imported manganese ore in 2012.

The Benchmark price was steady for the quarter at US$5.35 for manganese lump CIF China 45.5% grade material. Subsequently to the quarter end the benchmark price was reduced for October shipments to US$5.20 for manganese lump CIF China 45.5% grade material and has since been rolled over for November and December shipments.

The Company shipped 748.6kt of manganese ore during the quarter compared to 940.9kt of ore during the same period in 2011 - a decrease of 20% year on year. Australian exports of manganese were 367.1kt tonnes for the quarter, a decline of 17% year on year. This was offset by an increase in chromite shipments totalling 157.8kt for the quarter, an increase of 72% compared to the third quarter of 2011.

Exports of manganese ore from Ghana are down 23.5% compared to Q3 2011. This was due to the continuing weakness in the stainless steel industry which has seen prices fall 16% since January 2012, leading the price of Electrolytic Manganese Metal down 34% since Q3 last year, causing a reduction in EMM production rates and demand for Ghana ore.

Group manganese ore sales year to date are 2,154.5 kt, a decrease of 18% year on year reflecting lower Ghana sales due to the weaker EMM market and lower Australian sales due to increased sales of chromite ore. Full year Group sales forecast are expected to remain 20% lower than 2011, driven by lower Ghana sales.

Manganese Use

Manganese is used in metallurgical applications for carbon and stainless steel production as well as non-metallurgical industrial applications for the chemical and fertilizer industries.

The carbon steel industry accounts for approximately 90% of end user demand for manganese, which is a non-substitutable additive, used as both a deoxidising and desulphurising agent. Steel consumes various grades of manganese alloys, the intermediary product derived through the smelting of manganese oxide ore like that produced from the Woodie Woodie manganese mine.

Stainless steel (200 series), the other key metallurgical application for manganese, consumes electrolytic manganese metal (EMM), produced through the hydrometallurgical processing of manganese ore, predominantly carbonate manganese ore, like that produced from Consmin's Ghana operations.

Chromite Segment

Chinese market prices continued to come under pressure due mainly to an increase in Chinese imports from South Africa. Chromite ore supply from South Africa remained high as electricity shortages continued to be an issue through the South African winter season, making it more attractive for alloy producers to export ore instead of processing into alloy. Like the EMM industry, the ferro-chrome industry has also been negatively affected by weakness in the stainless steel industry. Chromite prices remained firm for the first 2 months of the quarter. However, an 8% decline in the ferro-chrome tender prices through the quarter led to a 6% decline in Chrome ore sales prices for September.

Shipments of chromite totalled 157.8kt for the quarter, an increase of 72% compared to the third quarter of 2011.

Chromite Use

As with manganese ore, the demand for chromite ore is primarily driven by China, which is dependent on imported chromite ore as feed for the production of ferrochrome, a key input of stainless steel. Global stainless steel production increased 7.5% year on year to 8.5 million tonnes in Q3 2012 with China producing 3.6 million tonnes of stainless steel, up 16% year on year.

Operational Review

Manganese Segment

Summary Overview (Unaudited)	Quarter ended 30 Sept 2012	Quarter ended 30 Sept 2011	% change	Nine months ended 30 Sept 2012	Nine months ended 30 Sept 2011	% change
Total mined (kBCM)	2,585.9	6,139.7	(57.9%)	11,531.0	18,401.3	(37.3%)
Manganese ore produced (dry kt)	873.5	822.7	6.2%	2,495.4	2,403.8	3.8%
Australia	*383.8*	*379.1*	*1.2%*	*1,141.1*	*1,085.2*	*5.2%*
Ghana	*489.7*	*443.6*	*10.4%*	*1,354.3*	*1,318.6*	*2.7%*
Manganese ore produced (mdmtu)	30.0	28.9	3.8%	87.7	84.5	3.8%
Australia	*16.4*	*16.3*	*0.6%*	*49.6*	*47.1*	*5.3%*
Ghana	*13.6*	*12.6*	*7.9%*	*38.1*	*37.4*	*1.9%*
Manganese ore sales (dry kt)	748.6	940.9	(20.4%)	2,154.5	2,624.0	(17.9%)
Australia	*367.1*	*441.9*	*(16.9%)*	*1,074.0*	*1,188.5*	*(9.6%)*
Ghana	*381.5*	*499.0*	*(23.5%)*	*1,080.5*	*1,435.5*	*(24.7%)*
Manganese ore sales (mdmtu)	26.6	32.9	(19.1%)	78.2	93.3	(16.2%)
Australia	*15.9*	*18.7*	*(15.0%)*	*47.5*	*52.2*	*(9.0%)*
Ghana	*10.7*	*14.2*	*(24.6%)*	*30.7*	*41.1*	*(25.3%)*
Total capex – including exploration ($ million)	21.6	12.1	78.5%	41.1	43.7	(5.9%)
Average unit cash cost ($/dmtu)	2.93	3.63	(19.3%)	3.05	3.64	(16.2%)
Average unit cash cost restated to average 2011 FX rate ($/dmtu)	2.92	3.58	(18.4%)	3.05	3.62	(15.7%)

Australia: Woodie Woodie

Overview

The Woodie Woodie tenements comprise approximately 5,500km^2 of land in and around the Woodie Woodie mine in the Pilbara region of Western Australia, of which the current active mining area is approximately 100km^2 (the 'Woodie Woodie corridor'). The Company's operations at Woodie Woodie are located approximately 425km inland from Port Hedland, which is well situated to serve high-demand Asian markets, such as China. The infrastructure at Woodie Woodie includes a government-owned sealed road to Port Hedland and a Company owned dedicated all-weather airstrip, allowing for air travel time of less than two hours from Perth. The manganese ore produced at Woodie Woodie is in high demand due to its high manganese and low phosphorous content and excellent manganese to iron ratios, making it well-suited for blending with the lower grade domestic ores of China and Ukraine. The attractive characteristics of the Company's Australian high grade manganese ore generally attract a premium over prevailing market prices.

Safety

Whilst injury frequency rates, including the lost time injury frequency rate, remain lower than the industry standard, a lost time injury was suffered during the quarter. Notwithstanding the apparent low severity of the incident, the business views these incidents as avoidable and continues to strive to improve its safety and health performance.

Production

The transition from contractor mining to full owner operated mining was successfully completed in the quarter with the mining contractor fully demobilised in July 2012. This new fully flexible operating environment has delivered ore production for the quarter in line with Q2 2012 and the corresponding quarter in 2011 whilst significantly reducing the amount of waste mined. This has had a significantly positive effect on C1 cash costs.

Production for the quarter was up 1% on the corresponding period in 2011 with ore being mined predominantly from Greensnake, Big Mack and the Sardine complex of pits. Total mining was down significantly on the corresponding period from 2011. As with prior quarters in 2012, the performance and reliability of the processing plant was consistent and in line with expectations.

Mine planning review

As a result of a continued slow down in world economies, including China, a strong Australian dollar and underlying cost inflation, a review of the short to medium term mine plan was concluded during the quarter. Whilst these current economic conditions prevail, mining will be focused in lower strip ratio, higher value pits. Greensnake remains the backbone of the mine plan, with ore production able to be maintained at current levels using 50% of the planned mining fleets. This revised mine plan will be implemented Q4 2012 and will result in the continued reduction of C1 cash costs for 2013

Capex

A total of $16.0 million was spent on Property, Plant and Equipment at Woodie during the quarter as the majority of the owner operator equipment was delivered, including two excavators and 5 dump trucks. Minor capital was also spent on planned upgrades to the workshop office and drinking water treatment plant. The remainder of the owner equipment will be delivered during Q4 2012.

Exploration and Resource Development

Exploration and Resource Development activities focused both within the mining corridor at Topvar and Chutney and in the broader region at Honey Bee, Skull Springs and Woodie South. Over 20,000m of RC drilling and diamond drilling for geo-metallurgical analysis was completed during the quarter. Maiden Resources are expected to be declared for Honey Bee and Skull Springs in early 2013.

Resources and Reserves Update

An updated Resources and Reserves Statement has been produced this quarter. The total resources have increased 22% to 36.5 Mt, while total reserves increased 8% to 18.0 Mt as compared to the June 2011 statement. This significant increase reflects the recent success of our focused exploration program.

	Tonnes		Mn %		Tonnes
	June 2012	**June 2011**	**June 2012**	**June 2011**	**Movement**
Total Reserves	18.0	16.7	36%	38%	8%
Total Resources	36.5	29.9	37%	40%	22%

Ghana: Ghana Manganese Company Limited ('GMC')

Overview

The GMC mine, also known as the Nsuta mine, comprises approximately 175km2 of land in and around Nsuta in the Western Region of Ghana, of which the current active mining area is less than 3% of the total area. The Company's operations at GMC are located approximately 63km by rail or 92km by public tarred road from the port facilities at Takoradi. A 30 year mining concession for manganese was granted to GMC in 2001 and Consmin operates under this lease. The manganese ore exported from GMC is a high grade manganese carbonate (as opposed to a manganese oxide) with excellent manganese to iron ratio, which makes it well suited to alloy and electrolytic manganese metal ('EMM') production. The ore produced at GMC is low in phosphorus and other deleterious elements, which enables it to be an excellent replacement for the low grade carbonate ores of China.

Safety

The excellent safety record at Nsuta continued, with no major reportable incidents or accidents reported during Q3 2012.

Production

Production during the quarter increased by 10% to 489.7kt of manganese ore compared to the same period in 2011. With a total of 1,354.3kt of manganese ore produced during the year to date, GMC is slightly above (3%) the 2011 production levels. During the final quarter of the year GMC will be undertaking a major waste stripping programme with no ore expected to be produced during November and December

Capex

GMC spent $2.9 million on property, plant and equipment ('PP&E') during the quarter. Over the first 9 months of 2012 GMC spent a total of $6.1 million with the majority targeted at the purchase of new mobile plant and major components for the mobile and fixed plant.

Exploration

Drilling focused on the continued resource development of Pit C, whilst the first exploration phase in the Pit A Area was completed in April 2012. Drilling in Pit C focused on a combination of infill drilling for JORC compliancy and the drilling of geotechnical holes. The drilling in Pit A was the first for 17 years and confirms the company's commitment to further increasing the resource base at Nsuta. The initial drilling results were highly positive including 77m at 30% Mn, 108m at 27% Mn, 72m at 27% Mn and 90m at 26% Mn. GMC commenced a new drilling campaign at Pit B area in July 2012. Initial results look promising.

Projects

GMC is in consultation with the Ghana Port and Harbour Authorities (GPHA) on the possible execution by GPHA of the Master Plan for Takoradi Port. Latest indications are that the Master Plan project will commence before close of the year.

Resources and Reserves Update

The updated Resources and Reserves Statement for GMC will be completed during Q4 2012 and will be available with the 2012 annual results.

Chromite Segment

Summary Overview	Quarter Ended 30 Sept 2012	30 Sept 2011	% change	Nine Months Ended 30 Sept 2012	30 Sept 2011	% change
Chromite ore produced (dry kt)	109.3	93.5	16.9%	331.7	225.1	47.4%
Chromite ore sales (dry kt)	157.8	91.9	71.7%	367.8	184.7	99.1%
Average C1 chromite unit cash cost ($/dry t)	212	215	(1.4%)	208	243	(14.4%)
Average FOB sales price ($/dry t)	198	231	(13.9%)	211	257	(17.9%)

Australia: Coobina

Overview

The Coobina mine ('Coobina') produces chromite ore in the form of lump and sands. The operation is located approximately 550km inland from Port Hedland, Western Australia and is well situated to serve the growth market of China. The Coobina ores can be used as either direct or blending feed ore for the production of ferrochrome. Coobina chromite ore is characterised by its good chromium percentage above 40% and attractive chromium to iron ratios above 1.5 which make it highly valued by alloy producers as a blending product.

Safety

No major reportable injuries or incidents were experienced during the quarter, resulting in the outstanding record of 5 years lost time injury free remaining intact.

Production

Production at Coobina for the quarter was in line with Q2 2012, but up 17% on the corresponding quarter in 2011. The significant increase in production from the prior year is due largely to improved ore recoveries and a production ramp up which is now complete. Ore was mined from Newlands and Frights pits.

Capex

Total spend on property, plant and equipment ('PP&E') capex was $0.1 million for the quarter, with the majority being spent on the secondary crusher and a minor extension to the workshop.

Exploration

During this period, exploration has focused on interpreting and documenting exploration activity results from the previous drilling campaign and planning the 2013 exploration campaign.

Other

Mindy Mindy

Consmin has a significant interest in the Mindy Mindy iron ore tenements through its 50% shareholding in Pilbara Iron Ore Pty Ltd ('PIO'). Ownership of one of the tenements is subject to court determination. A decision on preliminary issues was handed down against PIO in the Warden's Court on 24 July 2012. PIO has since lodged a notice of appeal against the decision in the Supreme Court of Western Australia. The date of that hearing is yet to be determined.

BC Iron Limited ('BC Iron')

BC Iron is an iron ore mining company listed on the ASX (ticker: BCI). As at the end of Q3 2012, the Company's holding in BC Iron remained the same as the previous quarter at 23.9%. The market value of the Company's holding in BC Iron at 30 September 2012 was US$68.2 million.

OM Holdings Limited ('OM Holdings')

OM Holdings is, primarily, a vertically integrated manganese marketing and mining company listed on the ASX (ticker: OMH). At the end of Q3 2012, the Company's holding in OM Holdings reduced to 8.7% as a result of OMH issuing shares in the quarter. The market value of the Company's holding in OM Holdings as at 30 September 2012 was US$18.0 million.

Sustainable Development

Consmin adopts an active approach toward sustainability and views it as a vital component of the corporate strategy. Consmin strives to create a safe and healthy workplace, whilst recognising that it has an obligation to all stakeholders, the wider community and environment. It is also committed to fostering an environment that creates opportunities for our people to grow towards their potential and contribute to the Company's success.

People

There have been no changes in the senior management team during the quarter. As previously noted the operational management decisions of the Group are made by the Group Executive Committee ('GEC') under its delegation from the Board. The GEC members are Peter Allen (Managing Director: Marketing), Jackie Callaway (CFO), Jurgen Eijgendaal (Managing Director: Ghana), Paul Muller (Managing Director: Australia) and Oleg Sheyko (CEO of Metals Solutions Limited).

Financial Review

Unaudited Condensed Consolidated Statement of Comprehensive Income

$m	Quarter Ended 30 Sept 2012	Quarter Ended 30 Sept 2011	Nine Months Ended 30 Sept 2012	Nine Months Ended 30 Sept 2011
Revenue	149.7	188.1	411.9	536.4
Cost of sales	(119.0)	(133.8)	(294.5)	(446.1)
Gross profit	30.7	54.3	117.4	90.3
Selling and distribution costs	(28.2)	(29.6)	(84.7)	(79.2)
General and administrative costs	(8.0)	(11.1)	(27.2)	(33.0)
Other operating income – net	0.4	2.1	3.6	5.5
Net foreign exchange gain / (loss)	0.7	(6.2)	2.8	(5.7)
Operating profit / (loss)	(4.4)	9.5	11.9	(22.1)
Presented as:				
Adjusted EBITDA	**10.7**	**14.6**	**32.8**	**105.2**
Depreciation and amortisation	(16.8)	(30.1)	(45.1)	(103.6)
Net foreign exchange gain / (loss)	0.7	(6.2)	2.8	(5.7)
Non-cash inventory NRV write back / (down)	1.0	31.2	21.4	(18.0)
Operating profit / (loss)	(4.4)	9.5	11.9	(22.1)
Net financing costs	(8.9)	(7.2)	(24.8)	(14.3)
Share of profits of associated undertakings	11.1	0.8	10.6	0.9
Profit on disposal of subsidiary company	-	-	0.8	-
(Loss) / profit before tax	(2.2)	3.1	(1.5)	(35.5)
Taxation	(2.3)	12.6	(8.0)	52.5
(Loss) / profit for the period	(4.5)	15.7	(9.5)	17.0

Unaudited Condensed Segment Information

Quarter Ended

30 September 2012 – $m	**Manganese**	**Chromite**	**Other**	**Total**
Revenue	118.4	31.3	-	149.7
Cost of sales	(91.6)	(26.8)	(0.6)	(119.0)
Gross profit / (loss)	26.8	4.5	(0.6)	30.7

30 September 2011 – $m	**Manganese**	**Chromite**	**Other**	**Total**
Revenue	166.2	21.2	0.7	188.1
Cost of sales	(111.7)	(20.9)	(1.2)	(133.8)
Gross profit / (loss)	54.5	0.3	(0.5)	54.3

Nine Months Ended

30 September 2012 – $m	**Manganese**	**Chromite**	**Other**	**Total**
Revenue	334.3	77.6	-	411.9
Cost of sales	(231.3)	(61.7)	(1.5)	(294.5)
Gross profit / (loss)	103.0	15.9	(1.5)	117.4

30 September 2011 – $m	**Manganese**	**Chromite**	**Other**	**Total**
Revenue	475.4	47.4	13.6	536.4
Cost of sales	(377.8)	(53.7)	(14.6)	(446.1)
Gross profit / (loss)	97.6	(6.3)	(1.0)	90.3

Revenue

The consolidated revenue for the Group decreased by 20% from $188.1 million in Q3 2011 to $149.7 million in Q3 2012 as a result of lower manganese revenues partially offset by increased chromite revenues.

Lower manganese revenues ($118.4 million in Q3 2012 compared to $166.2 million in Q3 2011) were due to a combination of lower pricing and volumes sold. The average price of our manganese ore sold in Q3 2012 was $4.44/dmtu FOB, compared to $5.05/dmtu FOB in Q3 2011, a decrease of 12% reflecting movement in the benchmark price over the same period. Following the fall in the benchmark price in January 2012 to US$4.75, prices recovered during the second quarter with a further 4% increase in July 2012 to $5.35 and have remained at this level for August and September. Manganese volumes decreased by 20% from 940.9kt to 748.6kt in Q3 2012 primarily as a result of lower sales of Ghana ore due to weakness in the EMM market and lower Australian sales due to increased sales of Chromite ore.

Revenue from sales of chromite ore increased from $21.2 million in Q3 2011 to $31.3 million in Q3 2012, an increase of 48%, as a result of a 72% increase in volumes sold offset by a 14% decrease in price

The nickel operations remained on care and maintenance during Q3 2012 and no revenue was recognised.

Cost of Sales

The cost of sales for the Group decreased from $133.8 million in Q3 2011 to $119.0 million in Q3 2012, a decrease of 11%. An analysis of the cost of sales is as follows:

	3 Months Ended			9 Months Ended		
$m	**30 Sept 12**	**30 Sept 11**	**Movement**	**30 Sept 12**	**30 Sept 11**	**Movement**
Manganese	91.6	111.7	(18.0%)	231.3	377.8	(38.8%)
Chromite	26.8	20.9	28.2%	61.7	53.7	14.9%
Other	0.6	1.2	(50.0%)	1.5	14.6	(89.7%)
Total	**119.0**	**133.8**	**(11.1%)**	**294.5**	**446.1**	**(34.0%)**

Manganese

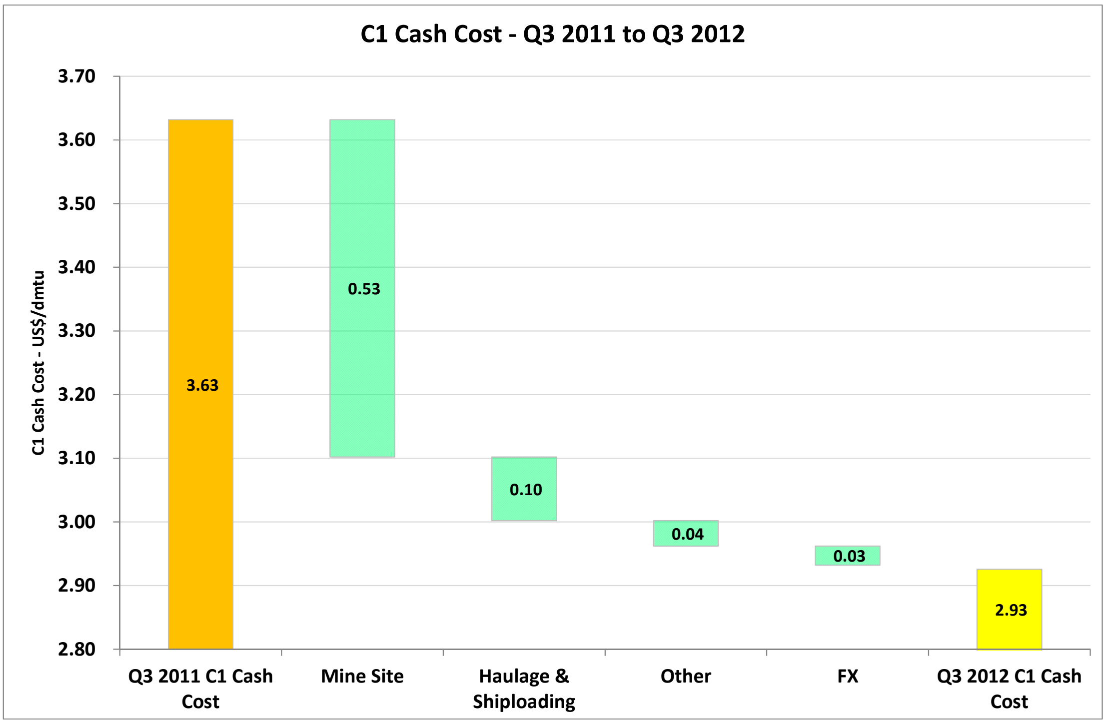
A breakdown of the manganese cost of sales is as follows:

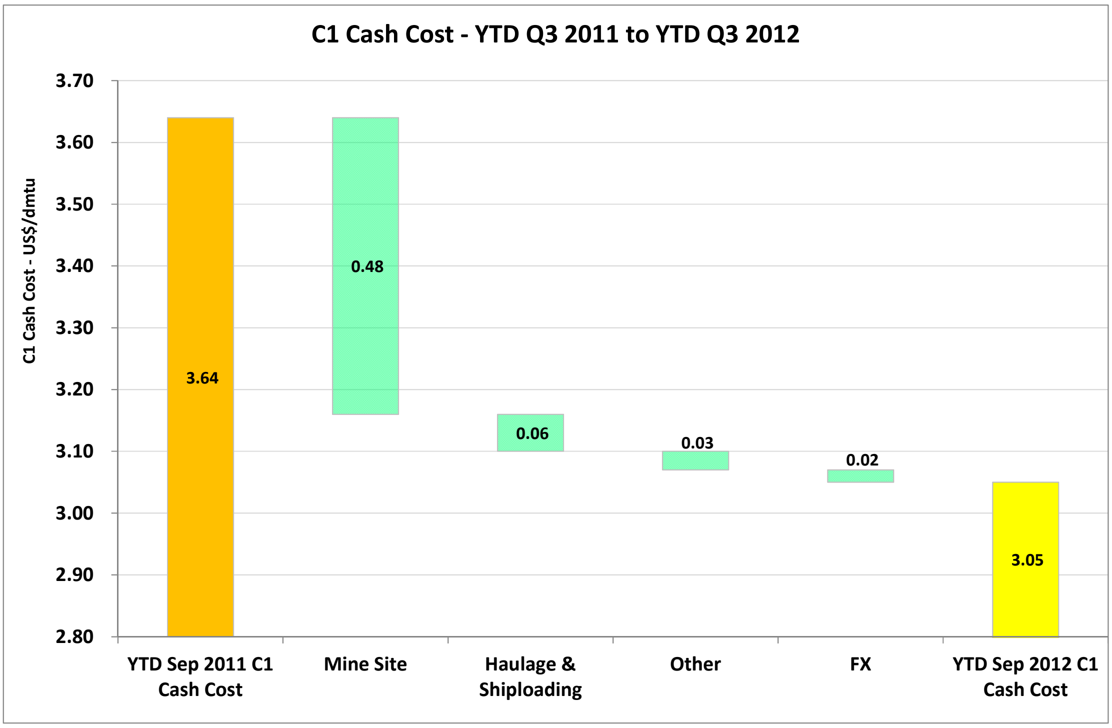
	3 Months Ended			9 Months Ended		
$m	**30 Sept 12**	**30 Sept 11**	**Movement**	**30 Sept 12**	**30 Sept 11**	**Movement**
Mining and production expenses	59.1	71.7	(17.6%)	183.3	212.0	(13.5%)
Depreciation and amortisation	11.5	25.6	(55.1%)	31.8	92.8	(65.7%)
Royalties and other taxes	7.8	7.8	0.0%	22.5	27.0	(16.7%)
Deferred stripping	1.5	(9.0)	(116.7%)	6.9	(33.8)	(120.4%)
Non-cash inventory NRV write down / (back)	0.2	(28.1)	(100.7%)	(15.3)	12.3	(224.4%)
Net movement in inventories	11.2	43.7	(74.4%)	1.8	67.2	(97.3%)
Other	0.3	-	-	0.3	0.3	0.0%
Total	**91.6**	**111.7**	**(18.0%)**	**231.3**	**377.8**	**(38.8%)**

The principal movements in manganese cost of sales are as follows:

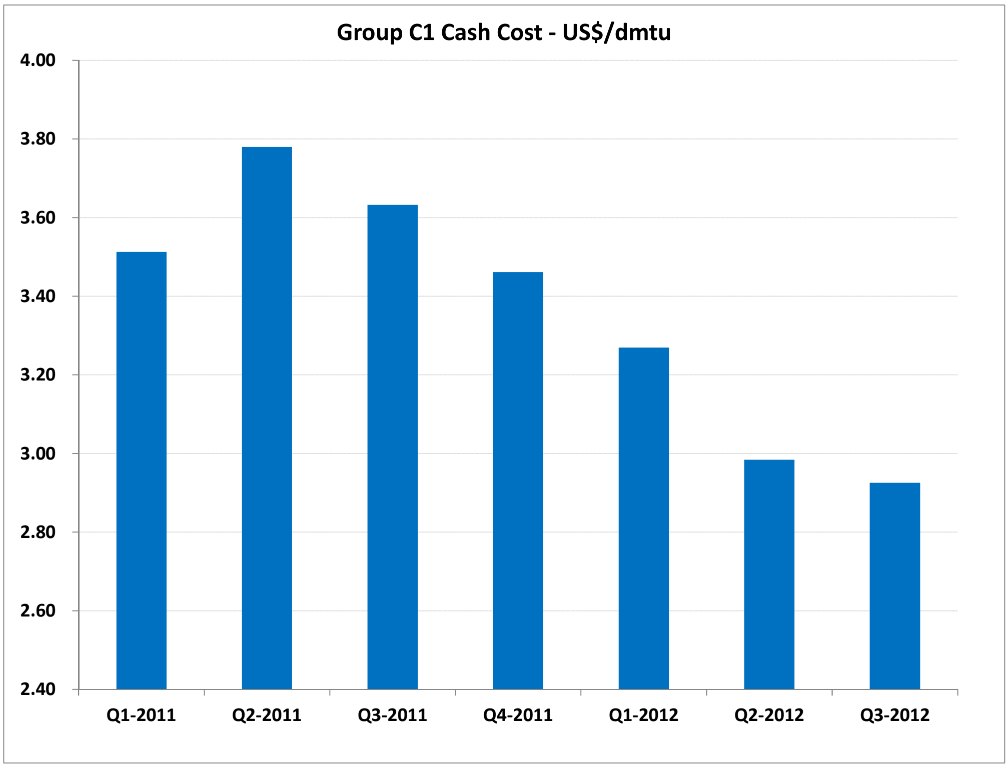
- A $32.5 million benefit in relation to movement in inventories as a result selling less inventory than in the same period in the prior year.
- A $14.5 million reduction in the depreciation and amortisation charge due to the significant impairment of non-current assets in 2011 which reduced the remaining carrying value to be depreciated and amortised.
- A $12.6 million reduction in mining costs, representing savings from a combination of lower total BCM movements, initiatives undertaken in load & haul (the reduction of excavator fleet numbers) and drill & blast (owner operator drilling).
- A $10.5 million increase in deferred stripping charges as a result of moving from a credit in 2011 to a charge in 2012. The credit in 2011 was as a result of a major stripping programme during that period.
- The Q3 2011 results included a $28.1 million write back as a result of the reversal of a significant portion of the NRV provision made in Q2 2011 as stockpiles were sold.

The Company uses the 'C1 cash cost' as a measure of average unit cost. The C1 unit cash cost represents the cash cost incurred at each processing stage from mining through to ship loading, divided by the total manganese dmtu produced. The average C1 unit cost of manganese production, on a "fully expensed" mining cost basis, decreased 19% from $3.63/dmtu for Q3 2011 to $2.93/dmtu for Q3 2012. The graphs below for both Q3 and the year to date show there have been substantial reductions in the underlying mine costs. As previously noted, the savings in mine site costs per unit are as a result of the initiatives undertaken in load & haul and drill and blast in addition to improved ore recovery.





The graph below shows the continued progression in the reduction of C1 cash cost since Q1 2011. The C1 cash cost has decreased from a peak in Q2 2011 of $3.78/dmtu to $2.93/dmtu for Q3 2012 as a result of the continued successful implementation of efficiency programmes noted above.



During the final quarter of 2012 the Ghana operation will be undertaking a major waste stripping programme which will significantly increase the Q4 2012 Group C1 Cost, although the impact on the full year will only result in a moderate increase.

Chromite

Cost of sales for the chromite segment increased from $20.9 million in Q3 2011 to $26.8 million in Q3 2012. The increase was primarily as a result of the sale of chromite ore stocks.

Gross Profit

Gross profit for the Group has decreased from a $54.3 million gross profit in Q3 2011 to a $30.7 million gross profit in Q3 2012.

Gross profit for the manganese segment decreased from a $54.5 million profit in Q3 2011 to $26.8 million gross profit in Q3 2012. This decrease in gross profit is primarily driven by lower manganese revenues (due to the reductions in manganese price and volume), partially offset by reductions in mining and production costs, depreciation and amortisation and the benefit of net stock movements.

Gross profit for the chromite segment increased from a $0.3 million profit in Q3 2011 to a $4.5 million gross profit in Q3 2012. The increase was predominantly due to the substantial increase in revenues (resulting from a 72% increase in volumes sold offset by a 14% reduction in pricing).

Cash EBITDA

Cash EBITDA is calculated as follows:

$m	3 Months Ended		9 Months Ended	
	30 Sept 12	30 Sept 11	30 Sept 12	30 Sept 11
Operating (loss) / profit	**(4.4)**	**9.5**	**11.9**	**(22.1)**
Depreciation and amortisation	16.8	30.1	45.1	103.6
Net foreign exchange (gain) / loss	(0.7)	6.2	(2.8)	5.7
Non-cash NRV inventory write (back) / down	(1.0)	(31.2)	(21.4)	18.0
Adjusted EBITDA	**10.7**	**14.6**	**32.8**	**105.2**
Deferred stripping	1.5	(9.0)	6.9	(33.8)
Net movement in inventories	17.1	47.4	7.6	59.3
'Cash' EBITDA	**29.3**	**53.0**	**47.3**	**130.7**

The ‘Cash’ EBITDA result removes the impact of the non-cash items of deferred stripping and movement in inventories, which are included in the Adjusted EBITDA calculation. The cash EBITDA for Q3 2012 is $29.3 million compared to $53.0 million for Q3 2011.

Other Key Items

Selling and distribution expenses decreased from $29.6 million in Q3 2011 to $28.2 million in Q3 2012 as a result of lower overall volumes sold offset by an increase in ship loading rates.

General and administrative expenses for the group decreased from $11.1 million in Q3 2011 to $8.0 million in Q3 2012. The decrease in general administrative expenses was primarily due to lower corporate costs in Ghana and Australia.

The Group is subject to taxation in the jurisdictions in which it operates, primarily Australia and Ghana. The Company is domiciled in Jersey and is subject to a corporate tax rate of 0%. The Group recognised an income tax charge in Q3 2012 of $2.3 million, compared to an income tax credit of $12.6 million in Q3 2011. The prior year credit was as a result of the recognition of the ability to utilise tax losses primarily arising in the in the Australian manganese operations. The Company has since concluded that it is not currently able to utilise these losses in the foreseeable future and as such no credits were recognised in Q3 2012.

Profit for the Period

The Group has recognised a loss for Q3 2012 of $4.5 million compared to a profit of $15.7 million in Q3 2011.

Other Comprehensive Income / (Loss)

The Group recorded an other comprehensive profit of $2.5 million net of tax in Q3 2012, compared to a loss of $88.7 million in Q3 2011. The profit for Q3 2012 was as a result of a net foreign currency translation gain of $8.4 million due to the movement in the closing position of the Australian dollar, which weakened 2% against the US dollar in the quarter, offset by a $5.9 million decrease in the value of available-for-sale assets.

Unaudited Condensed Consolidated Statement of Financial Position

	As at	
$m	**30 September 12**	**31 December 11**
Cash and cash equivalents	132.7	155.2
Other current assets	150.6	168.8
Non-current assets	642.6	642.3
Total assets	925.9	966.3
Current borrowings	(11.4)	(41.3)
Non-current borrowings	(363.8)	(376.1)
Other current liabilities	(98.5)	(89.1)
Other non-current liabilities	(102.7)	(103.2)
Total liabilities	(576.4)	(609.7)
Total equity	349.5	356.6

Cash and Cash Equivalents

Cash and cash equivalents decreased from $155.2 million at 31 December 2011 to $132.7 million at 30 September 2012, a decrease of $22.5 million. This reduction is primarily due to the repayment of the $40 million Australian working capital facility in the previous quarter, net capital spend and bond buy backs offset by positive operating cash flows.

Borrowings

Current borrowings have decreased from $41.3 million at 31 December 2011 to $11.4 million at 30 September 2012, a decrease of $29.9m as a result of the repayment of the Australian working capital facility. Non-current borrowings have decreased from $376.1 million at 31 December 2011 to $363.8 million at 30 September 2012 as a result of bond buy-backs during the first six months of 2012 offset by the utilisation of hire-purchase under the Caterpillar and Komatsu financing facilities.

Liquidity

The Group has generated positive operating cash flows of $23.2 million in Q3 2012 and is forecasting to continue to generate positive operating cash flows going forward. The liquidity position of the Group is further supported by circa $88 million of the marketable securities held (at 28th November 2012) that could be converted to cash if such a need arose.

The Group had a total overdraft facility in Ghana of $29.5 million with $21.9 million remaining undrawn and available at the end of Q3 2012.

As previously noted the Group repaid its Australian working capital facilities. These facilities were repaid on 29 May 2012, with the total amount repaid being $40 million. This decision was made as part of the Group’s capital management process and to lower the overall cost of financing in 2012 and beyond.

Guarantor Group

During the nine months ended 30 September 2012, the Guarantors represented 82.5% (30 September 2011: 82.4%) of our consolidated revenues and 14% (30 September 2011: 62.7%) of our consolidated EBITDA. As of 30 September 2012, the Guarantors represented 83.9% of our consolidated total assets (30 September 2011: 90.5%). As of 30 September 2012, the non-guarantor subsidiaries have $7.6 million (30 September 2011: $10.4 million) of indebtedness outstanding. The unrestricted subsidiaries are not significant subsidiaries and therefore not material to the Group. As a result, separate financial details have not been disclosed.

Unaudited Condensed Consolidated Statement of Cash Flows

	3 Months Ended		9 Months Ended	
$m	**30 Sept 12**	**30 Sept 11**	**30 Sept 12**	**30 Sept 11**
Cash inflow from operating activities	23.2	51.7	55.9	115.9
Cash outflow from investing activities	(20.8)	(11.4)	(38.1)	(54.7)
Cash inflow / (outflow) from financing activities	10.3	(9.2)	(30.1)	86.5
Increase / (decrease) in cash and cash equivalents	12.7	31.1	(12.3)	147.7
Cash and cash equivalents at the start of the period	114.9	178.7	138.1	62.1
Exchange losses on cash and cash equivalents	(2.5)	(3.4)	(0.7)	(3.4)
Cash and cash equivalents at the end of the period	**125.1**	**206.4**	**125.1**	**206.4**

Cash Flows

Net cash generated from operating activities was $23.2 million in Q3 2012 compared to $51.7 million in Q3 2011, a decrease of $28.5 million. This reduction in operating cash flow was principally as a result of lower revenues and a reduction in the favourable working capital movement, driven by a smaller reduction in inventory compared to the corresponding period in the prior year. The net cash outflow from investing activities was $20.8 million in Q3 2012 compared to an $11.4 million outflow in Q3 2011 as result of higher capital expenditure associated with the transition to owner operator in Australia. The net cash inflow from financing activities was $10.3 million in Q3 2012 compared to a net cash outflow of $9.2 million in Q3 2011. The cash inflow in Q3 2012 relates to the utilisation of hire-purchase under the Caterpillar and Komatsu financing facilities. The significant cash outflow in Q3 2011 relates to the net repayment of stockpile funding.

Overall the Group has managed to maintain a strong closing cash position through effective working capital management and cost savings through operational efficiencies. Total cash and cash equivalents decreased from $138.1 million at 31 December 2011 to $125.1 million at 30 September 2012 primarily as a result of the repayment of the stockpile funding element of the Australian working capital facility as part of the repayment of this entire facility.

Consolidated Minerals Limited

Unaudited Condensed Consolidated Interim Financial Information
For the Three and Nine Months Ended 30 September 2012

Unaudited condensed consolidated statement of comprehensive income for the three and nine months ended 30 September 2012

		Three months ended 30 September		Nine months ended 30 September	
$m	**Note**	**2012**	**2011**	**2012**	**2011**
Revenue	7	149.7	188.1	411.9	536.4
Cost of sales	8	(119.0)	(133.8)	(294.5)	(446.1)
Gross profit		30.7	54.3	117.4	90.3
Selling and distribution expenses		(28.2)	(29.6)	(84.7)	(79.2)
General and administrative expenses		(8.0)	(11.1)	(27.2)	(33.0)
Other net operating income		0.4	2.1	3.6	5.5
Net foreign exchange gain / (loss)		0.7	(6.2)	2.8	(5.7)
Operating (loss) / profit		(4.4)	9.5	11.9	(22.1)
Presented as:					
Adjusted EBITDA		**10.7**	**14.6**	**32.8**	**105.2**
Depreciation and amortisation		(16.8)	(30.1)	(45.1)	(103.6)
Net foreign exchange gain		0.7	(6.2)	2.8	(5.7)
Non-cash inventory NRV write back / (down)		1.0	31.2	21.4	(18.0)
Operating profit / (loss)		**(4.4)**	**9.5**	**11.9**	**(22.1)**
Financing income		0.5	3.8	4.7	6.1
Financing costs		(9.4)	(11.0)	(29.5)	(20.4)
Net financing costs		(8.9)	(7.2)	(24.8)	(14.3)
Share of (losses) / profit of associated undertakings		11.1	0.8	10.6	0.9
Gain on disposal of subsidiary company		-	-	0.8	-
(Loss) / profit before tax		(2.2)	3.1	(1.5)	(35.5)
Income tax (charge) / credit		(2.3)	12.6	(8.0)	52.5
(Loss) / profit for the period		(4.5)	15.7	(9.5)	17.0
Other comprehensive income					
Revaluation of available-for-sale financial assets		(5.9)	(17.2)	(2.0)	(47.3)
Net foreign currency translation differences		8.4	(72.2)	6.1	(32.8)
Income tax credit / (charge) on other comprehensive income		-	0.7	(0.1)	0.4
Other comprehensive income / (cost) for the period, net of tax		2.5	(88.7)	4.0	(79.7)
Total comprehensive (cost) / income for the period		(2.0)	(73.0)	(5.5)	(62.7)
Profit / (loss) attributable to:					
Owners of the parent company		(4.9)	14.8	(10.7)	14.9
Non-controlling interest		0.4	0.9	1.2	2.1
		(4.5)	15.7	(9.5)	17.0
Total comprehensive income attributable to:					
Owners of the parent company		(2.4)	(73.9)	(6.7)	(64.8)
Non-controlling interest		0.4	0.9	1.2	2.1
Total comprehensive income for the period		(2.0)	73.0	(5.5)	(62.7)

The notes on pages 22 to 30 are an integral part of this unaudited consolidated interim financial information.

Unaudited condensed consolidated statement of financial position as at 30 September 2012

$m	Note	As at 30 September 2012	 31 December 2011
Non-current assets			
Property, plant and equipment		409.8	430.9
Intangible assets		88.7	77.3
Goodwill		28.9	28.9
Investments in associated undertakings		51.8	40.9
Available-for-sale financial assets		19.7	21.3
Trade and other receivables		0.2	0.4
Deferred tax asset		43.5	42.6
		642.6	**642.3**
Current assets			
Inventories		98.6	81.7
Trade and other receivables		52.0	87.1
Cash and cash equivalents	9	132.7	155.2
		283.3	**324.0**
Current liabilities			
Borrowings	10	(11.4)	(41.3)
Trade and other payables		(89.4)	(81.4)
Provisions		(9.1)	(7.7)
		(109.9)	**(130.4)**
Net current assets		**173.4**	**193.6**
Non-current liabilities			
Borrowings	10	(363.8)	(376.1)
Trade and other payables		(6.7)	(6.4)
Provisions		(50.6)	(49.8)
Deferred tax liabilities		(45.4)	(47.0)
		(466.5)	**(479.3)**
Net assets		**349.5**	**356.6**
Attributable to the equity shareholders of the parent company			
Share capital		10.0	10.0
Share premium		194.7	194.7
Subordinated shareholder loans treated as equity		966.2	966.2
Reserves		30.1	26.1
Retained losses		(865.3)	(854.6)
Total equity attributable to equity holders of the parent company		**335.7**	**342.4**
Non-controlling interests		13.8	14.2
Total equity		**349.5**	**356.6**

The notes on pages 22 to 30 are an integral part of this unaudited consolidated interim financial information.

Unaudited condensed consolidated statement of changes in equity for the nine months ended 30 September 2012

	Attributable to equity shareholders of the parent Company							
$m	**Share capital**	**Share premium**	**Shareholder equity**	**Reserves**	**Retained losses**	**Total**	**Non-controlling interests**	**Total**
Balance at 1 January 2012	10.0	194.7	966.2	26.1	(854.6)	342.4	14.2	356.6
(Loss) / profit for the period	-	-	-	-	(10.7)	(10.7)	1.2	(9.5)
Revaluation of available-for-sale financial assets	-	-	-	(2.0)	-	(2.0)	-	(2.0)
Foreign currency translation differences	-	-	-	6.1	-	6.1	-	6.1
Income tax on other comprehensive income	-	-	-	(0.1)	-	(0.1)	-	(0.1)
Dividend paid							(1.0)	(1.0)
Disposal of subsidiary company	-	-	-	-	-	-	(0.6)	(0.6)
Balance at 30 September 2012	10.0	194.7	966.2	30.1	(865.3)	335.7	13.8	349.5

	Attributable to equity shareholders of the parent Company							
$m	**Share capital**	**Share premium**	**Shareholder equity**	**Reserves**	**Retained losses**	**Total**	**Non-controlling interests**	**Total**
Balance at 1 January 2011	10.0	194.7	1,219.0	82.0	(312.0)	1,193.7	13.5	1,207.2
Profit for the period	-	-	-	-	14.9	14.9	2.1	17.0
Revaluation of available-for-sale financial assets	-	-	-	(47.3)	-	(47.3)	-	(47.3)
Foreign currency translation differences	-	-	-	(32.8)	-	(32.8)	-	(32.8)
Income tax on other comprehensive income	-	-	-	0.4	-	0.4	-	0.4
Repayment of shareholder loan treated as equity	-	-	(252.8)	-	-	(252.8)	-	(252.8)
Dividend paid	-	-	-	-	(50.0)	(50.0)	(0.6)	(50.6)
Balance at 30 September 2011	10.0	194.7	966.2	2.3	(347.1)	826.1	15.0	841.1

The notes on pages 22 to 30 are an integral part of this unaudited consolidated interim financial information.

Unaudited condensed consolidated statement of cash flows for the three month and nine months ended 30 September 2012

$m	Note	Three months ended 30 September 2012	Three months ended 30 September 2011	Nine months ended 30 September 2012	Nine months ended 30 September 2011
Cash flow from operating activities					
(Loss) / profit before tax		(2.2)	3.1	(1.5)	(35.5)
Adjustments to add / (deduct) non-cash items:					
Depreciation and amortisation		16.8	30.1	45.1	103.6
Deferred stripping		1.5	(9.0)	6.9	(33.8)
Non-cash inventory NRV write (back) / down		(1.0)	(31.2)	(21.4)	18.0
Gain on sale of fixed assets		-	-	(1.0)	-
Profit on disposal of subsidiary company		-	-	(0.8)	-
Share of losses / (profits) of associated undertakings		(11.1)	(0.8)	(10.6)	(0.9)
Dividend income		-	-	-	(1.2)
Net foreign exchange (gain) / loss		(0.7)	6.2	(2.8)	5.7
Net financing costs		8.9	7.2	24.8	14.3
Working capital adjustments:					
Decrease / (increase) in inventories		13.9	51.4	4.5	53.4
(Increase) / decrease in receivables		2.5	(9.4)	35.3	(10.4)
Increase in payables		(4.1)	4.3	(0.3)	13.1
Net movement in working capital		12.3	46.3	39.5	56.1
Interest received		0.4	3.2	1.2	5.3
Interest paid		-	(1.6)	(17.8)	(3.3)
Income taxes paid		(1.7)	(1.8)	(5.7)	(12.4)
Net cash generated from operating activities		23.2	51.7	55.9	115.9
Cash flow from investing activities					
Payments for development expenditure		(2.2)	(3.7)	(7.1)	(14.8)
Purchase of property, plant and equipment		(15.5)	(2.4)	(24.9)	(17.7)
Proceeds from sale of property, plant and equipment		0.2	-	1.2	0.2
Payments for mineral exploration and evaluation expenditure		(3.0)	(5.9)	(8.8)	(11.2)
Proceeds from dividends received		-	-	-	1.2
Proceeds from disposal of subsidiary company, net of cash disposed	12	-	-	5.1	-
Payments for investments in associates		-	(0.1)	(3.3)	(12.4)
Payments for other financial assets		(0.3)	0.7	(0.3)	-
Net cash outflow from investing activities		(20.8)	(11.4)	(38.1)	(54.7)
Cash flow from financing activities					
Proceeds from related party borrowings		-	-	2.6	-
Repayments of shareholder loan treated as equity		-	-	-	(252.8)
Dividends paid to owners of the parent company		-	-	-	(50.0)
Net proceeds from issue of senior secured notes		-	(0.1)	-	389.8
Payments for repurchase of senior secured notes		-	-	(18.5)	-
Proceeds from borrowings		11.2	-	11.2	-
Repayment of borrowings		(0.9)	(1.8)	(3.1)	(0.4)
Proceeds from stockpile funding		0.2	79.2	88.9	115.1
Repayment of stockpile funding		(0.2)	(85.8)	(111.2)	(114.5)
Dividends paid to non-controlling interest		-	(0.7)	-	(0.7)
Net cash inflow / (outflow) from financing activities		10.3	(9.2)	(30.1)	86.5
Net increase / (decrease) in cash and cash equivalents		12.7	31.1	(12.3)	147.7
Cash and cash equivalents at the beginning of the period		114.9	178.7	138.1	62.1
Exchange losses on cash and cash equivalents		(2.5)	(3.4)	(0.7)	(3.4)
Cash and cash equivalents at the end of the period	9	125.1	206.4	125.1	206.4

The notes on pages 22 to 30 are an integral part of this unaudited consolidated interim financial information.

Notes to the unaudited consolidated interim financial information

1. General information

Consolidated Minerals Limited ('Consmin' or the 'Company') was incorporated in Belize, in 2004 and redomiciled in Jersey in April 2008. The address of its registered office is First Floor, Commercial House, 3 Commercial Street, St Helier, Jersey, Channel Islands, JE2 3RU.

Consmin is a leading manganese ore producer with mining operations in Australia and Ghana. The principal activities of the Company and its subsidiaries (the "Group") are the exploration, mining, processing and sale of manganese and chromite ore. The Group's operations are primarily conducted through four major operating/trading subsidiaries; Consolidated Minerals Pty Limited (Australia), Ghana Manganese Company Limited (Ghana), Manganese Trading Limited (Jersey) and Pilbara Trading Limited (Jersey).

2. Basis of preparation of interim report

This condensed consolidated interim financial information for the third quarter and nine months ended 30 September 2012 has been prepared in accordance with IAS 34 "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial information for the year ended 31 December 2011, which have been prepared in accordance with IFRS.

The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 December 2011 but comparative information is derived from those accounts. Statutory accounts for 2011 have been filed with the Jersey registrar of companies and the auditors have issued an unqualified audit opinion on these accounts.

(a) New and amended standards mandatory for the first time for the financial year beginning 01 January 2012 but not currently relevant to the Group

- IAS 12 *Income taxes* has been updated to include a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale, and a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis.
- IFRS 7 *Financial Instruments: Disclosures* has been updated as part the IASB's comprehensive review of off balance sheet activities to enhance derecognition disclosure requirements and promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position.

(b) New Standards and revisions to existing standards that are not yet effective and have not been early adopted by the Group

- IFRS 9 *Financial Instruments: Classification and Measurement* (effective 1 January 2015): IFRS 9 was issued by the IASB in November 2009 and subsequently amended in October 2010. This new standard represents the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. In subsequent phases, the IASB will address hedge accounting and recognition. The Group has not yet completed its evaluation of the effect of adoption.
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (effective 1 January 2013): IFRIC 20 sets out the accounting for over burden waste removal (stripping costs) in the production phase of a mine and the associated future benefits of access to usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC 20 considers when and how to account separately for these two benefits, as well as how to measure these benefits both initially and subsequently. The Group has not yet completed its evaluation of the effect of adoption.
- IAS 1 *Presentation of Financial Statements - Presentation of Other Comprehensive Income* (effective 1 July 2012): The IASB has issued an amendment to the standard requiring entities to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future.
- IFRS 10 *Consolidated Financial Statements* (effective 1 January 2013): IFRS 10 is a new standard that replaces all of the guidance on control and consolidation in IAS 27 and SIC-12. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. The core principle that a consolidation entity presents a parent and its subsidiaries as if they are a single entity, and the mechanics of consolidation, remain unchanged. The standard has not been early adopted by the Group and is not expected to have an impact on the consolidation of the Group.
- IFRS 11 *Joint Arrangements* (effective 1 January 2013): IFRS 11 is a new standard focusing on the rights and obligations of the arrangement, rather than its legal form. The standard defines two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The Group has not yet completed its evaluation of the effect of adoption.
- IFRS 12 *Disclosure of Interests in Other Entities* (effective 1 January 2013): This standard requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured

entities. includes the disclosure requirements for all forms of interests in other entities, Adoption of the standard is likely to results in increased disclosure in the Group financial statements.

- IRFS 13 *Fair Value Measurement* (effective 1 January 2013): This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.

(c) Interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group

In May 2012 the IASB published its 'annual improvements' to nine IFRS's for 2013 year ends. The more significant changes to the standards arising from annual improvements project are:

- IAS 16 *Property, Plant and Equipment*: The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment. The previous wording of IAS 16 indicated that servicing equipment should be classified as inventory, even if it was used for more than one period. Following the amendment, this equipment used for more than one period is classified as property, plant and equipment.
- IAS 34 *Interim Financial Reporting:* The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements and brings IAS 34 into line with the requirements of IFRS 8 *Operating Segments.* A measure of total assets and liabilities is required for an operating segment in interim financial statements if such information is regularly provided to chief operating decision makers.

(d) Comparatives

Where applicable, comparatives have been prepared on the same basis as current period figures.

3. Accounting policies
The accounting policies are consistent with those of the annual financial information for the year ended 31 December 2011, except as described below.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings. Our revenue is closely related to demand and the prices obtained for manganese ore, and to a lesser extent, chromite ore produced by our Australian operations. Cyclical and other changes in world market prices of these products affect the results of our operations. The changes in these prices result from factors, such as market supply and demand, which are beyond our control.

(a) Foreign currency translation
The following foreign exchange rate against the United States Dollar has been used in the preparation of the consolidated financial statements:

	Average 3 months to 30 Sept 2012	Average 9 months to 30 Sept 2012	30 Sept 2012	Average 3 months to 30 Sept 2011	Average 9 months to 30 Sept 2011	31 December 2011
Australian dollar	1.0393	1.0347	1.0377	1.0524	1.0404	1.0174

4. Critical accounting judgements and key sources of estimation uncertainty
The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment
In accordance with IAS 36 *Impairment of Assets*, assets and investments are tested for impairment when circumstances indicate there may be a potential impairment. Factors considered to be important which could trigger an impairment review include:

- Significant fall in market values;
- Significant changes in foreign exchange rates
- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the use of assets or the overall business strategy; and
- Significant negative industry or economic trends.

An assessment is made based on the estimated recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use. When such amounts are less than the carrying amount of the asset, a write down to the estimated recoverable amount is recorded.

Net realisable value adjustments on ore stockpiles
In accordance with IAS 2 *Inventories*, the Group measures its inventories at the lower of cost and net realisable value. The determination of net realisable value requires the Group to use estimates and assumptions concerning selling prices and future costs to convert ore stocks to finished goods. When these assumptions become known in the future, and to the extent that they differ from the assumptions made, such differences will impact pre-tax profit and the carrying values of inventories.

Taxation
The Group is subject to income taxes in several jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Rehabilitation provision
Provision is made for mine rehabilitation obligations when the related environmental disturbance takes place. Provisions are recognised at the net present value of future expected costs.

Significant judgement is required in determining the provision for rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine site. Factors that will affect this liability include future development, changes in technology, commodity price changes and changes in interest rates. When these factors change or become known in the future, such difference will impact the mine rehabilitation provision in the period in which they change or become known.

Open pit overburden removal costs
The Group assesses its expensing of overburden removal mining costs using assumptions concerning the estimated useful life of the open pit mine, together with an estimate of the contained ore and waste that will ultimately be mined. To the extent that an open pit mine is judged to be mined to completion within twelve months of balance date, the net amount of deferred over burden removal costs are classified as current in the statement of financial position.

Units of production method of depreciation and amortisation
The Group applies the unit of production method for depreciation of its mine assets based on ore tonnes mined. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and the production capacity of the assets to be depreciated under this method. Factors that must be considered in determining reserves and resources and production capacity are the Group's history of converting resources to reserves and the relevant time frames, and markets and future developments.

When these factors change or become known in the future, such differences will impact pre-tax profit and carrying values of assets. It is impracticable to quantify the effect of changes in these estimates and assumptions in future periods.

5. Principal risks and uncertainties
The following describes the material risks that could affect Consolidated Minerals Limited. The Group's view of its principal risks and uncertainties can be summarised as follows:

There may be additional risks unknown to Consolidated Minerals and other risks, currently believed to be immaterial, which could turn out to be material. These risks, whether they materialise individually or simultaneously could significantly affect the Group's business and financial results.

a) External
Commodity prices and global demand for the Group's products are expected to remain uncertain, which could have a positive or negative impact on the Group's business. Continued growth in demand for the Group's products in China could be affected by future developments in that country. Consolidated Minerals is exposed to foreign currency fluctuations that could have a positive or negative impact on its overall business results. Political, legal and commercial instability, changes in fiscal policies or community disputes in the countries and territories in which the Group operates could affect the viability of its operations. The Group's land and resource tenure could be disputed resulting in disruption to the operation or development of resource. Changes in the cost and/or interruptions in the supply of energy, water, fuel or other key inputs could adversely affect the economic viability of the Group's operations.

b) Strategic
The Group's business and growth prospects may be affected by changes in its capital expenditure programme. The Group's exploration and development of new projects might be unsuccessful, expenditures may not be fully recovered and depleted ore reserves may not be replaced.

c) Financial
The Group's reported results could be adversely affected by the impairment of assets and goodwill.

d) Operational
Estimates of ore reserves are based on many assumptions and changes in the assumptions could lead to reported ore reserves being restated. Labour disputes could lead to lost production and/or increased or decreased costs. The Group depends on the continued services of key personnel. The Group's mining operations are vulnerable to inclement weather events, natural disasters, operating difficulties and infrastructure constraints, not all of which are covered by insurance, which could have an impact on its productivity. The Group may be exposed to major failures in the supply chain for specialist equipment and materials.

e) Sustainable development
Increased environmental regulations could adversely affect the Group's cost of operations. The Group's costs of close down, restoration and rehabilitation could be higher than expected due to unforeseen changes in legislation, standards and techniques, or underestimated costs. Health, safety, environment and other regulations, standards and expectations evolve over time and unforeseen changes could have an adverse effect on the Group's earnings and cash flows.

6. Segment information

Management considers the business from a product perspective and has determined the operating segments based on the reports reviewed by the board, who are the CODM ('Chief Operating Decision Makers'), in making strategic decisions. The primary products of the Group are processed manganese and chromite ores. Other operations consist of administration and corporate head office functions, trading of ferroalloys (which ceased in 2011), iron ore projects and nickel operations (which have been put on care and maintenance).

The segment information provided for the three and nine months ended 30 September 2012 and 2011 is as follows:

Three months ended 30 September 2012 **$m**	**Manganese**	**Chromite**	**Other**	**Total**
Revenue from external customers	118.4	31.3	-	149.7
Cost of goods sold	(91.6)	(26.8)	(0.6)	(119.0)
Gross profit	26.8	4.5	(0.6)	30.7
Adjusted EBITDA	15.7	1.5	(6.5)	10.7
Depreciation and amortisation	(11.5)	(5.2)	(0.1)	(16.8)
Net foreign exchange gain / (loss)	0.7	0.2	(0.2)	0.7
Non-cash inventory NRV write (down) / back	(0.2)	1.2	-	1.0
Finance income	0.1	-	0.4	0.5
Finance expense	(0.5)	-	(8.9)	(9.4)
Share of losses of associated undertakings	-	-	11.1	11.1
Profit / (loss) before tax	4.3	(2.3)	(4.2)	(2.2)
Income tax expense				(2.3)
Loss for the period				(4.5)

Three months ended 30 September 2011 **$m**	**Manganese**	**Chromite**	**Other**	**Total**
Revenue from external customers	166.2	21.2	0.7	188.1
Cost of goods sold	(111.7)	(20.9)	(1.2)	(133.8)
Gross profit	54.5	0.3	(0.5)	54.3
Adjusted EBITDA	26.4	(3.3)	(8.5)	14.6
Depreciation and amortisation	(25.6)	(4.4)	(0.1)	(30.1)
Net foreign exchange loss	(4.5)	(0.2)	(1.5)	(6.2)
Non-cash inventory NRV write back	28.1	3.1	-	31.2
Finance income	-	-	3.8	3.8
Finance expense	(0.9)	(0.1)	(10.0)	(11.0)
Share of profits of associated undertakings	-	-	0.8	0.8
Profit / (loss) before tax	23.5	(4.9)	(15.5)	3.1
Income tax credit				12.6
Profit for the period				15.7

Nine months ended 30 September 2012 $m	Manganese	Chromite	Other	Total
Revenue from external customers	334.3	77.6	-	411.9
Cost of goods sold	(231.3)	(61.7)	(1.5)	(294.5)
Gross profit	103.0	15.9	(1.5)	117.4
Adjusted EBITDA	53.2	1.5	(21.9)	32.8
Depreciation and amortisation	(31.8)	(13.0)	(0.3)	(45.1)
Net foreign exchange (loss) / gain	(2.2)	0.3	4.7	2.8
Non-cash inventory NRV write back	15.3	6.1	-	21.4
Finance income	0.1	-	4.6	4.7
Finance expense	(1.7)	(0.1)	(27.7)	(29.5)
Gain on disposal of subsidiary company	-	-	0.8	0.8
Share of losses of associated undertakings	-	-	10.6	10.6
Profit / (loss) before tax	32.9	(5.2)	(29.2)	(1.5)
Income tax expense				(8.0)
Loss for the period				(9.5)

30 September 2012 $m	Manganese	Chromite	Other	Total
Total assets	604.8	40.5	280.6	925.9
Total liabilities	(177.3)	(18.8)	(380.3)	(576.4)

Nine months ended 30 September 2011 $m	Manganese	Chromite	Other	Total
Revenue from external customers	475.4	47.4	13.6	536.4
Cost of goods sold	(377.8)	(53.7)	(14.6)	(446.1)
Gross profit	97.6	(6.3)	(1.0)	90.3
Adjusted EBITDA	128.1	(0.7)	(22.2)	105.2
Depreciation and amortisation	(92.8)	(10.5)	(0.3)	(103.6)
Net foreign exchange (loss) / gain	(4.1)	(0.2)	(1.4)	(5.7)
Non-cash inventory NRV write down	(12.3)	(5.7)	-	(18.0)
Finance income	0.2	-	5.9	6.1
Finance expense	(2.2)	(0.2)	(18.0)	(20.4)
Share of profits of associated undertakings	-	-	0.9	0.9
Profit / (loss) before tax	16.9	(17.3)	(35.1)	(35.5)
Income tax credit				52.5
Profit for the period				17.0

31 December 2011 $m	Manganese	Chromite	Other	Total
Total assets	606.4	51.1	308.8	966.3
Total liabilities	(197.5)	(17.4)	(394.8)	(609.7)

A reconciliation of adjusted EBITDA to profit before tax and finance items is provided as follows:

	3 months ended 30 September		9 months ended 30 September	
$m	**2012**	**2011**	**2012**	**2011**
Adjusted EBITDA	10.7	14.6	32.8	105.2
Depreciation and amortisation	(16.8)	(30.1)	(45.1)	(103.6)
Net foreign exchange gain / (loss)	0.7	(6.2)	2.8	(5.7)
Non-cash inventory NRV write back / (down)	1.0	31.2	21.4	(18.0)
Net financing costs	(8.9)	(7.2)	(24.8)	(14.3)
Share of profit / (losses) s of associated undertakings	11.1	0.8	10.6	0.9
Profit on disposal of subsidiary company	-	-	0.8	-
(Loss) / profit before tax	(2.2)	3.1	(1.5)	(35.5)

Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net foreign exchange gain/loss and non-cash inventory write-back / down. Adjusted EBITDA is the key profitability measure used by management across the business and reflects the performance of our core activities in a consistent manner and in-line with how the business is managed and measured. Adjusted EBITDA is not a uniformly or legally defined measure and is not recognised under IFRS or any other generally accepted accounting principles. Other companies in the mining industry may calculate this measure differently and consequently, our presentation of Adjusted EBITDA may not be readily comparable to other companies' figures.

7. Revenue

Revenue by geographic destination was as follows:

	3 months ended 30 September		9 months ended 30 September	
$m	**2012**	**2011**	**2012**	**2011**
China	110.8	114.7	329.2	318.5
Ukraine*	20.4	52.5	41.7	153.7
India	11.2	-	26.7	-
South Korea	3.1	-	6.1	-
United States of America *	-	11.2	-	11.2
Georgia*	-	7.9	-	20.8
Other	4.2	1.8	8.2	32.2
Total revenue by geographic destination	149.7	188.1	411.9	536.4

*Sales to related parties – see note 12

8. Cost of sales

	3 months ended 30 September		9 months ended 30 September	
$m	**2012**	**2011**	**2012**	**2011**
Mining and production expenses	75.1	87.0	229.8	256.7
Depreciation and amortisation	16.8	29.9	45.0	103.1
Royalties and other taxes	9.1	8.9	26.2	29.2
Deferred stripping	1.5	(9.0)	6.9	(33.8)
Non-cash inventory NRV write (back) / down	(1.0)	(31.2)	(21.4)	18.0
Net movement in inventories	17.1	47.4	7.6	59.3
Purchases of ferroalloys for sale	-	0.7	-	13.3
Other	0.4	0.1	0.4	0.3
Total cost of sales	119.0	133.8	294.5	446.1

9. Cash and cash equivalents

$m	**30 September 2012**	**31 December 2011**
Cash at bank and in hand	132.6	155.1
Short-term bank deposits	0.1	0.1
Cash and cash equivalents at the end of the period	132.7	155.2
Less: bank overdrafts	(7.6)	(17.1)
Net cash and cash equivalents per the cash flow statement	125.1	138.1

Included in the cash balance at 30 September 2012 is an amount of US$16.1m which is pledged to secure the issuance of performance bonds to the Department of Mines and Petroleum of Western Australia which guarantee the entities' compliance with the rehabilitation and restoration conditions of Mining Licences.

10. Borrowings

$m	30 September 2012	31 December 2011
Current		
Bank overdrafts	7.6	17.1
Finance lease liabilities – hire purchase loans	3.8	3.4
Stockpile funding	-	20.8
	11.4	41.3
Non-current		
Senior secured high yield notes	353.9	373.4
Finance lease liabilities – hire purchase loans	9.9	2.7
	363.8	376.1
Total borrowings	375.2	417.4

On 28 April 2011, the Company issued $405 million in principal amount of 8.875% senior secured notes due 2016 which pay interest semi-annually on 1 May and 1 November. The senior secured notes are guaranteed on a senior basis by the Company and certain of our subsidiaries (the Guarantors) and rank pari passu to all of existing and future indebtedness that is not subordinated in right of payment of the notes.

The senior secured notes are stated net of repurchases, unamortised discount of $1.4 million and unamortised issue costs of $9.9 million. Unamortised discount and issue costs are charged to the statement of comprehensive income over the five year term of the bond. Finance lease liabilities are secured by charges over each respective leased asset. On 29 May 2012 Group repaid the Australian stockpile funding and overdraft facilities.

The carrying value of borrowings approximates their fair value.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates at the balance sheet date:

$m	30 September 2012	31 December 2011
Interest free and repayable on demand	-	-
6 months or less	7.6	39.4
6 - 12 months	-	1.5
1 - 5 years	-	3.1
Over 5 years	-	-
	7.6	44.0
Borrowings not exposed to changes in interest rates	367.6	373.4
	375.2	417.4

The carrying amounts of the Group's borrowings are denominated in the following currencies:

$m	30 September 2012	31 December 2011
US dollar	371.9	411.3
Australian dollar	3.3	6.1
	375.2	417.4

11. Contingent liabilities and contingent assets

There has been no change in circumstances relating to contingent liabilities already disclosed in the 31 December 2011 financial information.

The Group has no contingent assets.

12. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Management considers that the Group has appropriate procedures in place to identify and properly disclose transactions with related parties and has disclosed all of the relationships identified and which it deemed to be significant during the quarter.

The following table provides the total amount of transactions which have been entered into with related parties for the three months and nine months ended 30 September 2012.

$m	Sales to related parties	Purchases from related parties	Finance income from related parties	Finance costs to related parties	Amounts owed by related parties	Amounts owed to related parties
Trading companies related to the ultimate shareholder						
3 months to 30 September 2012	20.4	-	-	-		
3 months to 30 September 2011	71.6	0.7	-	-		
9 months to 30 September 2012	41.7	-	-	-		
9 months to 30 September 2011	185.7	13.3	-	-		
At 30 September 2012					-	-
At 31 December 2011					9.2	-
Banks related to the ultimate shareholder						
3 months to 30 September 2012	-	-	0.3	-		
3 months to 30 September 2011	-	-	3.2	-		
9 months to 30 September 2012	-	-	0.9	-		
9 months to 30 September 2011	-	-	4.5	-		
At 30 September 2012					-	-
At 31 December 2011					-	-
Other companies related to the ultimate shareholder						
3 months to 30 September 2012	-	-	-	-		
3 months to 30 September 2011	-	1.6	-	-		
9 months to 30 September 2012	5.1	0.7	-	-		
9 months to 30 September 2011	-	4.3	-	-		
At 30 September 2012					-	-
At 31 December 2011					-	2.1

Finance companies related to the ultimate shareholder
As at 30 September 2012, a related party loan balance of $966.2 million was recognised in equity.

Sale of subsidiary company related to the ultimate shareholder
On 12 June 2012 the Group sold a subsidiary company, Nsuta Gold Mining Corporation Limited (Jersey), to Grizal Enterprises Limited - a company related to the ultimate shareholder, for a consideration of $5.7m. Proceeds net of cash disposed were $5.1 million.

Banks related to the ultimate shareholder
The Group holds bank accounts with Privat Bank, which the ultimate shareholder has an interest in. As at 30 September 2012, $11.5 million was held in current accounts with the bank (31 December 2011: $11.2 million).

13. Events occurring after the reporting period
There have been no material events that have occurred after the end of the reporting period.

Glossary of Defined Terms

"ASX"	The Australian Securities Exchange, operated by ASX Limited (ABN 98 008 624 691).
"BCM"	Bank cubic meter, being one cubic meter of undisturbed (in situ) material before it is drilled, blasted or mined.
"beneficiation"	The act or process of increasing the concentration of valuable material (e.g., manganese) contained in ore as it naturally occurs in the environment on a per unit basis, and, at the same time, reducing the concentration of some of the non-valuable substances (e.g., iron and silica).
"blending"	A process in which manganese ores of varying grades are mixed together to produce ores or products with an average grade according to the product specification.
"CFR"	International commercial term meaning "Cost and Freight," whereby the quoted price includes all costs and freight to bring the goods to the port of destination from the port of departure, but does not require the seller to procure marine insurance against the risk of loss or damage to the goods during transit.
"chips"	Chromite ore product that has a particle size between 1 and 16.5 millimeters.
"CIF"	International commercial term meaning "Cost, Insurance and Freight," whereby the quoted price includes all costs, insurance and freight to bring the goods to the port of destination from the port of departure.
"concession"	A mining concession as defined in the Minerals and Mining Act.
"Cr"	Chemical symbol for Chromium, based on the periodic table
"CRU"	CRU International Limited, a company incorporated in England and Wales with company number 00940750. CRU is an independent business analysis and consultancy group, focused on the mining, metals, power, cables, fertilizer and chemical sectors.
"dmtu"	A "dry metric tonne unit," which corresponds to one 10 kilogram unit of manganese. By way of example, the price in \$ of a consignment of manganese ore is calculated by multiplying the U.S. dollar per dmtu price by the units of manganese of the ore in that shipment. For instance, if manganese ore with a manganese content of 48% is priced at \$5.00/dmtu, the price for three tonnes of such ore will be \$720, calculated as follows: 48% × 3,000kg = 1,440 kg of manganese 1,440kg ÷ 10kg = 144 dmtu of manganese 144 dmtu × \$5.00 per dmtu = \$720
"dry tonne" or "dt"	A tonne, being a metric unit of weight equivalent to 1,000 kilograms, measured excluding the weight of any water content.
"EMM"	Electrolytic manganese metal.
"Fe"	Chemical symbol for Iron, based on the periodic table
"ferroalloy"	A metal product, usually containing iron and other metals, that is commonly used as a raw material feed in steelmaking to add strength or to aid various stages of the steelmaking process such as deoxidisation and desulphurisation. Examples include ferrochrome, ferromanganese and ferrosilicon.
"fines" or "ore fines" or "fine ore"	Manganese ore with the majority of individual particles measuring less than a specified size. While there is no industry standard measurement, the Group's Australian and Ghanaian operations specify ores with particles measuring between 1 and 12.5 millimeters and less than 25 millimeters, respectively, as fines.
"flux"	Material (for example, lime in the form of limestone or magnesium oxide in the form of dolomite) added to a furnace to ensure the slag in the furnace is fluid enough to flow out of the furnace.

"FOB"	International commercial term meaning "Free On Board," whereby the quoted price includes all activities needed to deliver the product to the port of departure, with the last cost included in the price being ship loading. As such, it excludes the cost of marine freight transport and insurance as well as unloading and transportation from the arrival port to the final destination.
"Greensnake"	An open pit located in the Woodie Woodie corridor. This is the Company's largest Australian pit by reserve volume.
"Guarantor"	Each of GMC, CMAL, CMT, Stratford Sun Limited, Consolidated Minerals (Hong Kong) Limited, PTL, MTL, Consolidated Minerals (Belgium) Limited, Consolidated Minerals Holdings (Australia) Pty Limited, CMPL, PMPL, Pilbara Chromite Pty Limited, Pilbara Contracting Pty Limited and Pilbara Trucking Pty Limited.
"high grade"	A measure of the manganese content of manganese ore. There is generally no agreed industry definition of "high grade." Our Australian operations consider ore with an average manganese content above 44% to be "high grade." Unless otherwise specified, references to "high grade" are to the definition used by our Australian operations.
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board.
"JORC"	The Australasian Joint Ore Reserves Committee.
"JORC Code"	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004 edition).
"kBCM"	1,000 bank cubic meters, being 1,000 cubic meter of undisturbed (in situ) material before it is drilled, blasted or mined.
"kt"	Kilo tonne. A unit of weight or capacity equal to 1,000 tonnes.
"low grade"	A measure of the manganese content of manganese ore. There is generally no agreed industry definition of "low grade." Our Australian operations consider ore with an average manganese content of less than 44% to be "low grade." Unless otherwise specified, references to "low grade" are to the definition used by our Australian operations.
"LTI"	A work-related injury or illness resulting in the employee or contractor being unable to attend work for a full working day after an injury or illness has occurred.
"lump" or "lump ore"	Manganese ore with the majority of individual particles measuring more than a specified size. While there is no industry standard measurement, the Group specifies ore with particles measuring 6.3 millimeters or more as lump. Chromite ore has lump particle size measuring 6.3 millimeters or more.
"mdmtu"	One million dry metric tonne units.
"Mn"	Manganese.
"open pit mining"	A method of extracting rock or minerals from the earth by stripping away the top soil and the earth above the rock or minerals creating a pit from which the rock or minerals are removed. This method of mining can be contrasted with mining using extractive methods that require tunneling into the earth (i.e., underground mining).
"ore"	A mineral or an aggregate of minerals (containing valuable constituents, including metals) of sufficient value to be mined or extracted.
"overburden"	The material that lies above the mining area of economic interest, i.e., the rock and soil that lies above a manganese or chromite ore body.
"reductant"	Solid fuel added to a furnace to remove oxygen from the manganese ore fed into the furnace.
"sands"	Chromite ore product that has a particle size between 50 microns and 2 millimeters.
"seaborne market"	The part of the manganese ore market that is composed of exported manganese ore.
"Shareholder"	Means Ultimate Beneficial Owner of the Company
"sinter"	The product of sintering.
"sintering"	The process of combining or fusing metals, usually with pressure and temperature, by exposing them to a temperature just below their melting point.

"slag" .... The by-product that results from smelting ore to separate the manganese from impurities and other unwanted elements.

"spot price" .... The price at which a physical commodity for immediate sale is selling at a given time and place.

"stripping ratio" .... The ratio of the volume of overburden waste material to the volume of ore in an open pit mine. For instance, a stripping ratio of "5" means that five BCM of waste rock must be removed for every one BCM of ore mined.

"sump" .... An excavation made in a pit (generally at the lowest point) to collect water, which can then be pumped to the surface or to another sump nearer the surface.

"tailings".. Finely ground waste rock from which the majority of valuable minerals or metals have been extracted.

"tenement" .... A mining tenement as defined in the Mining Act.

"wet tonne" .... A tonne, being a unit of weight equivalent to 1,000 kilograms, measured including the weight of any water content.

"Woodie Woodie corridor" .... The approximately 100 square kilometer area inside the Woodie Woodie tenement package within which all of our current Australian manganese mining operations take place.

"Woodie Woodie region"........................... The approximately 5,400 square kilometers of land in and around the Woodie Woodie mine in the Pilbara region of Western Australia, excluding the Woodie Woodie corridor.