



Management presentation to Noteholders

2 December 2016

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Purpose of the Presentation

Consolidated Minerals Ltd (“ConsMin” or the “Company”) would like to provide you with:

- 1 Overview of the Proposed Transaction**
- 2 Overview of TMI Group**
- 3 Rationale for the Transaction**
- 4 Management, Governance and Product Offtake Arrangements**
- 5 Consents sought from Noteholders**
- 6 Benefits for Noteholders of the Proposed Transaction**

Overview of the Proposed Transaction

Proposed Transaction

ConsMin's ultimate beneficial owner and direct shareholders ("Sellers") have agreed to sell their interests in the Company to China Tian Yuan Manganese Limited ("Purchaser") (the "Transaction")

- 1 ■ The Purchaser is a subsidiary of Ningxia Tianyuan Manganese Industry Co ("TMI"), ConsMin's largest customer and one of the world's largest electrolytic manganese metal ("EMM") producers by volume
- 2 ■ The Purchaser wishes to acquire the business with ConsMin's outstanding \$416m¹ 8% Senior Secured Notes due 2020 ("the Notes") remaining in place and therefore requires the necessary consents for this to occur which are a condition precedent to the closing of the Transaction
- 3 ■ The Transaction is also conditional on certain regulatory approvals in Australia, Ghana and Jersey
- 4 ■ We understand that it is the Purchaser's intention to fund the Transaction using available internal resources
- 5 ■ The purpose of this presentation is to start the process of obtaining the necessary consents from Noteholders by:
 - Providing further details on the Purchaser and TMI (collectively, together with their subsidiaries and related companies, "TMI Group");
 - Explaining our understanding of TMI Group's rationale for the acquisition and strategy for the business;
 - Setting out the process for Noteholder consent; and
 - Explaining the benefits of the Transaction to Noteholders

Note 1: \$416m is net of buy-backs by ConsMin with the gross amount currently \$431m outstanding

Overview of TMI Group

Overview of TMI Group

1

Overview of TMI

- TMI Group is a multinational enterprise with headquarters in Ningxia, China. TMI's development has been consistent with the industrialization policy of the Governments in respect of Ningxia throughout the years and its production capacity now ranks among the largest EMM producers in the world
 - TMI is the sole owner of China Tian Yuan Manganese Ltd, which was incorporated in January 2015 in the Cayman Islands

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Description of Facilities & Production Capacity

- TMI Group has a number of related companies across various industries, including:
 - TMI (500 ktpa electrolytic manganese metal production capacity with the potential to expand to 800ktpa during 2017)
 - Ningxia Wanlong New Materials Company Ltd (carries on colouring of stainless steel)
 - Ningxia Huaxia Special Steel Company Ltd (ferronickel plant)

Overview of TMI Group

3

TMI History

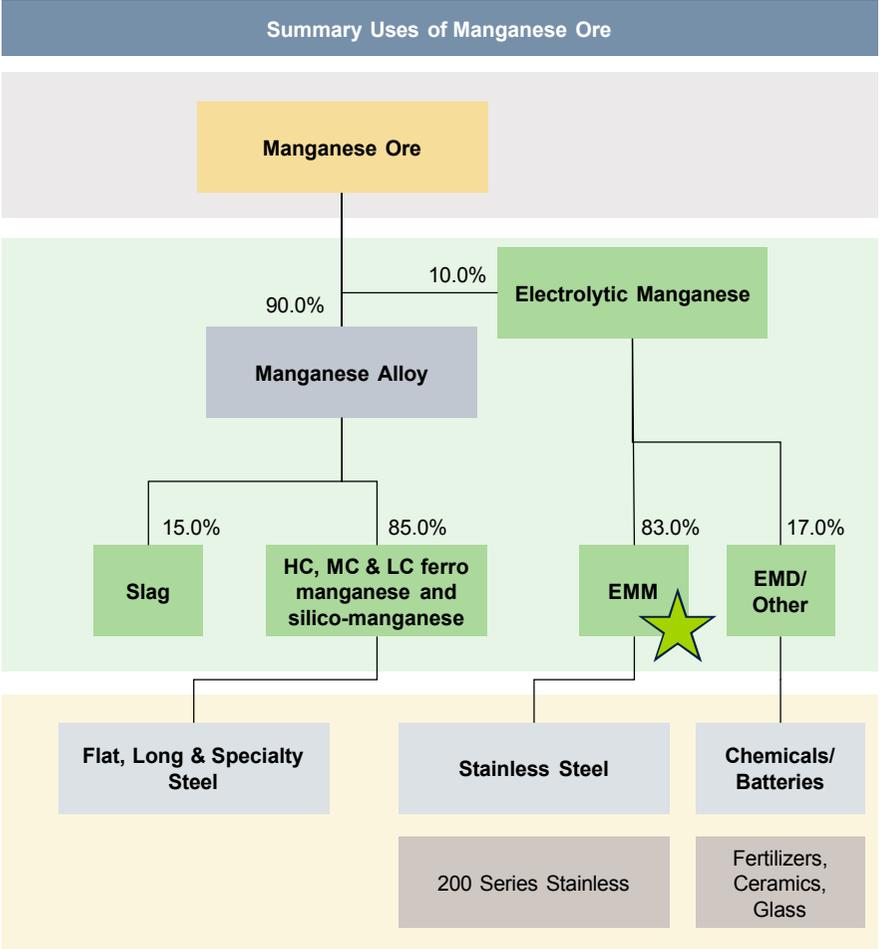
- TMI was established in 2003 by Mr Tianjiang Jia and its core historic business has been EMM production
 - Following several transformations, TMI's EMM production capacity has increased from 1.5ktpa in 2003 to 500ktpa in 2015. Depending on market conditions, the production capacity may be increased by a further 300kt in 2017 with the completion of TMI's new EMM capacity project
- TMI has made a consistent effort to integrate itself in the EMM market, with the construction of various raw material production facilities such as its sulphuric acid and selenium dioxide plants, both of which are needed in the production of EMM
- In addition TMI has a manganese ingots factory with production capacity of 100ktpa and a silico-manganese project (1.2Mtpa capacity) planned for construction
- TMI has benefited from strong relationships with a number of PRC commercial banks including China Construction Bank and has traditionally financed its growth from a combination of debt and operating cash flows
- Since 2003, TMI has continued to operate under the direct, experienced leadership of Mr Tianjiang Jia



Overview of TMI Group

4 Electrolytic Manganese Metal

- EMM is a pure form of manganese and is produced through an electrolytic refining process
- Approximately 10% of mined manganese ore goes into the production of EMM
 - Which is used in stainless steel production
- Manganese ore exported from Nsuta is a manganese carbonate (as opposed to a manganese oxide) with a relatively high manganese-to-iron ratio, making it well-suited for alloy and EMM production
- Stainless steel (200 series), a key metallurgical application for manganese, consumes EMM, produced through the hydrometallurgical processing of manganese ore, predominantly carbonate manganese ore, like that produced from ConsMin’s Nsuta mine. ConsMin’s 27% manganese product is high grade for carbonate ore and ideal for EMM production
 - 200 series is a manganese rich stainless steel which can be a substitute for higher cost nickel bearing grades of stainless steel
 - This is the main market for EMM
- The manganese content of ConsMin’s Ghanaian manganese carbonate ore increases to approximately 40% once sintered and to 97% through hydrometallurgical processes. As a result of these characteristics, ConsMin’s Ghanaian ore is sought after and valued by EMM producers

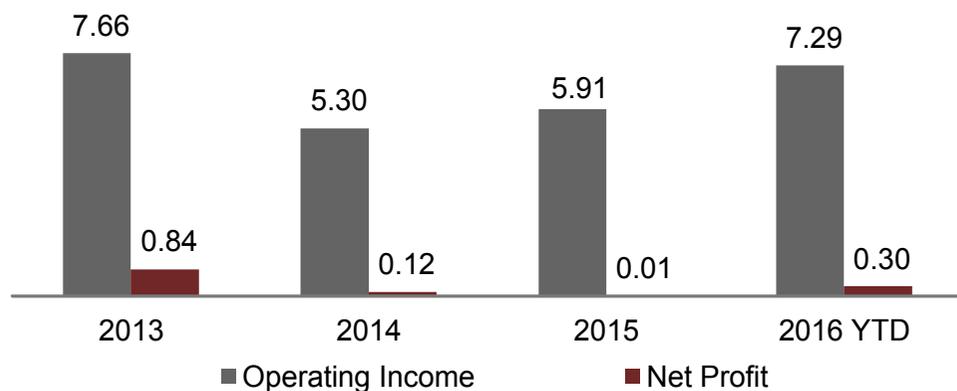


 Key market for Ghana ore

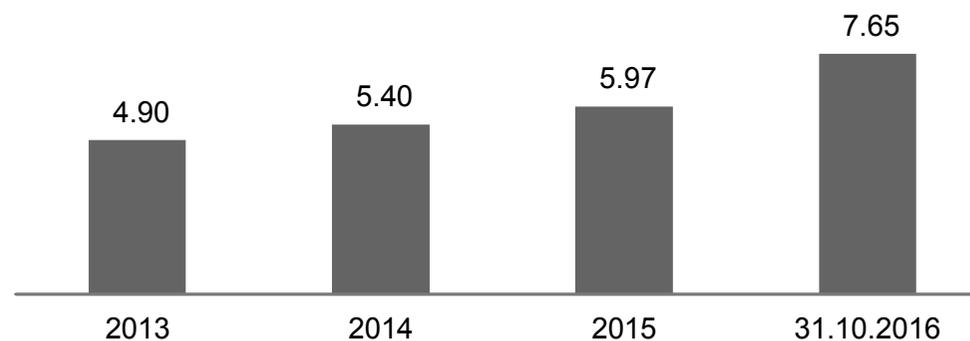
TMI Historic Operating and Financial Metrics

TMI is a financially strong and growing enterprise

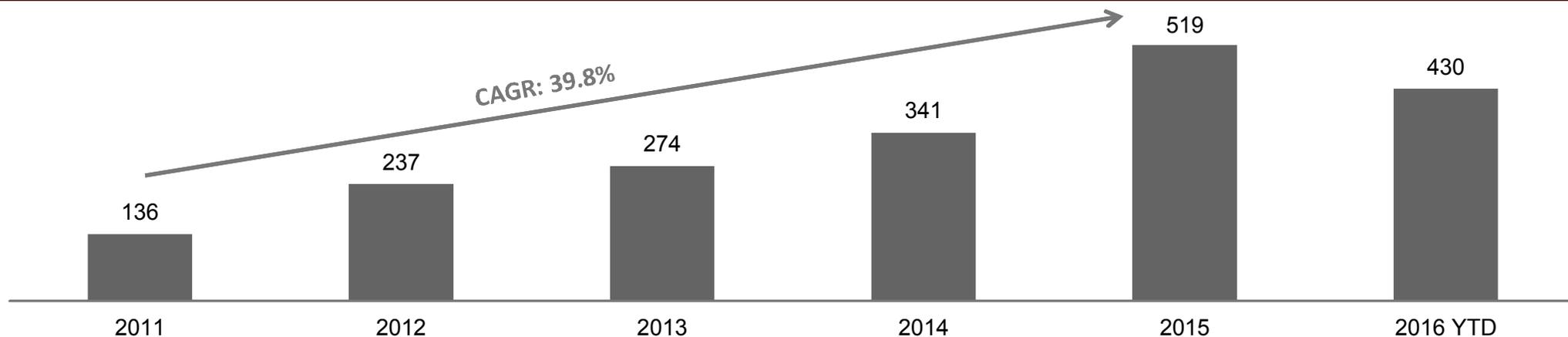
Operating Income and Net Profit (US\$bn)



Total Assets (US\$bn)



Production of EMM (kt)



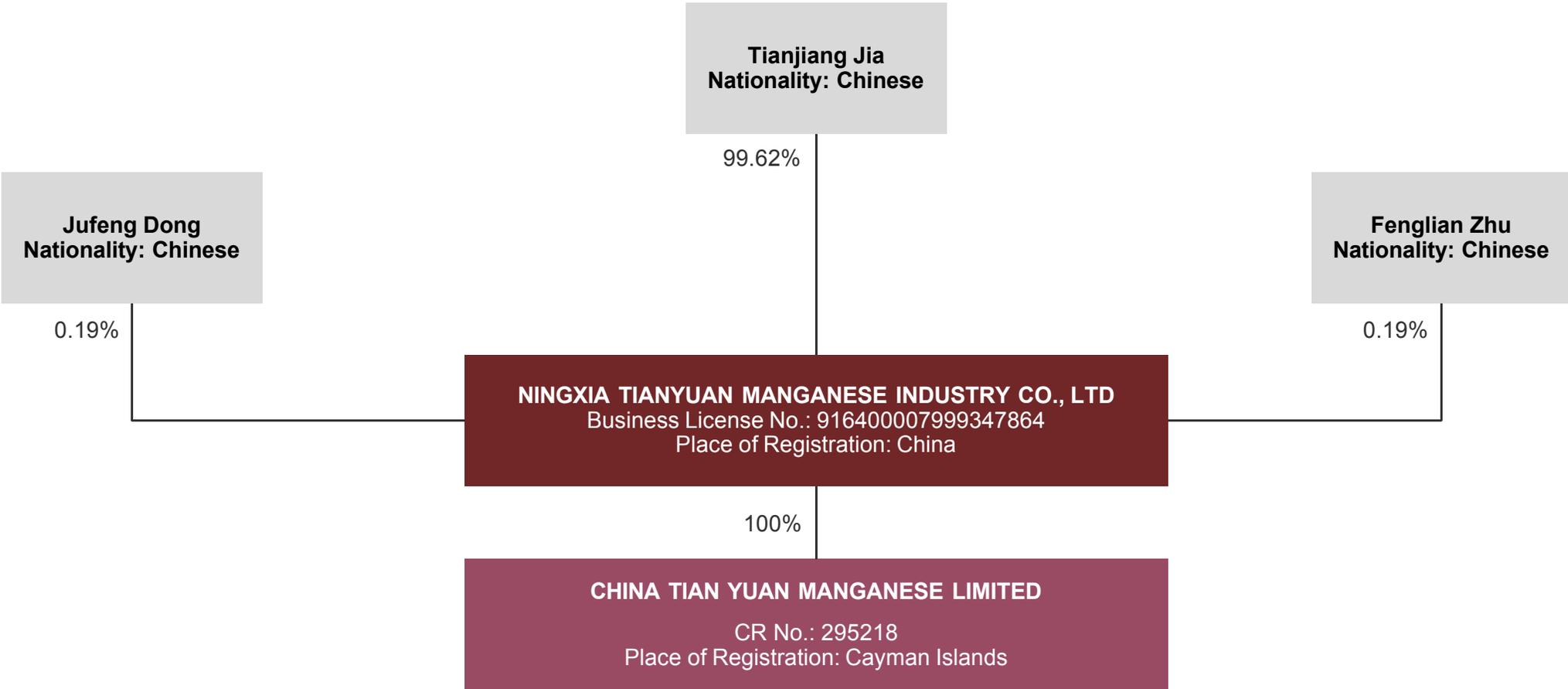
Source: TMI financials, Factset (for FX conversion)

Note 1: RMB / USD yearly average exchange rate used for revenue and operating income (2014: 6.16, 2015: 6.31, 2016YTD: 6.62) and RMB / USD year end exchange rate used for total assets (2014: 6.22, 2015: 6.57, 2016YTD: 6.89) as provided by TMI and their audited accounts

Note 2: 2016YTD is 1 January 2016 to 31 October 2016

Ownership Chart Of China Tian Yuan Manganese

Corporate Structure



Rationale for the Transaction

Rationale for the Transaction

The opportunity to backward integrate is a fundamental Transaction rationale for TMI Group

1 Strategic fit

- Uniqueness of the Ghana carbonate ore type which is well suited to leverage EMM production growth
- In a rising manganese ore market Nsuta ore becomes more attractive to alloy producers as a potential lower cost partial substitute to high grade oxide ores
- In this type of market environment there is reduced ore availability to EMM producers as alloy producers substitute higher cost higher grade products with lower cost lower grade products such as ConsMin's Ghana ore. Recently there has also been a pull back in supply from South Africa which has negatively impacted global ore availability
- With TMI Group having such a large production profile, volatile pricing of raw material feedstocks is undesirable and potentially disruptive to its operations
- TMI therefore wishes to become an integrated producer and capture more of the EMM value chain, thereby minimising exposure to price (in compliance with the transfer pricing legislation in Ghana) and volume volatility
 - TMI Group's strong technical knowledge of the usage of Nsuta ore and the scalable nature of the Nsuta mine make ConsMin an attractive option for backward integration
 - However, TMI Group purchased in the past and may source in the future manganese ore from other suppliers e.g. from South Africa and Brazil. If TMI increased its raw materials supply from ConsMin's competitors, it is unclear whether ConsMin could successfully market the excess product as other ore producers continue to operate at under capacity and could increase production without losing current market share



Rationale for the Transaction

TMI Group has extensive experience processing Ghana ore at its plant

2

Product fit

- ConsMin's Nsuta ore is particularly well suited for use in the EMM production process
 - TMI does not benefit from readily available access to low grade domestic carbonate ores (10 – 20% manganese contained) unlike its competitors in South China
 - With TMI Group being located in the Ningxia province in North China it is more economical and operationally efficient for TMI Group to use high grade carbonate ores imported from Ghana due to cheaper rail freight from local ports rather than long-distance rail / trucking from South China



Rationale for the Transaction

ConsMin's significant growth potential presents an exciting opportunity for TMI Group

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Growth potential

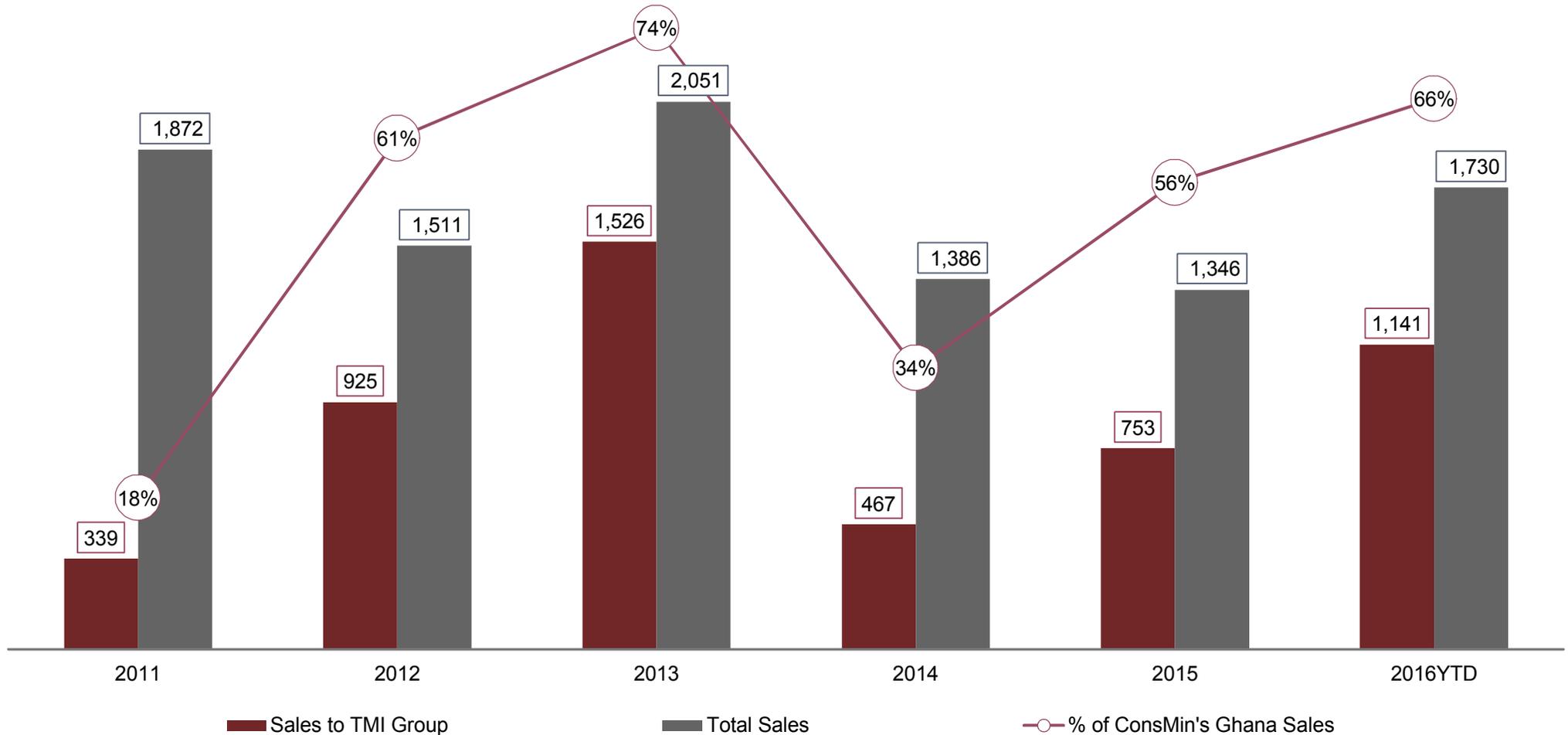
- ConsMin's immediate expansion potential (projected growth from 2Mtpa to 3Mtpa in the next 3-5 years at Nsuta) provides TMI Group with a source of feedstock that can keep pace with its own growth plans
- TMI Group plans to continue growing ConsMin's manganese ore output further in order to resource the requirements of its EMM plant which we understand is planned to reach 800ktpa capacity in 2017
 - The manganese ore requirements for TMI's plant, if Nsuta ore were the only feedstock, would be 3.2Mtpa of Nsuta ore
- We understand TMI Group is supportive of ConsMin's plans to develop new port facilities at Takoradi and continue with the Pit-C North resettlement plan
- We understand TMI Group is ready to consider opportunities in the Ghana logistical chain to transport ore from the Nsuta mine to the port of Takoradi by rail and road



TMI is a logical owner of ConsMin given sales dependency

Over the past five years, approx. 50% of annual Ghanaian ore sales have been to TMI

Historic Ghanaian sales volume (000's WMT)



Note 1: 2016YTD is Jan. 2016 to Oct. 2016

Management, Governance and Product Offtake Arrangements

ConsMin Management and Governance

Continuity of management team is important to TMI

Management Continuity

Current Group Executive Committee (“GEC”)

- › **Oleg Sheiko**
CEO of Metals Solutions
- › **David Slater**
Executive Director, CFO
- › **Mark Camaj**
General Manager Marketing
- › **Jurgen Eijgendaal**
Managing Director, Ghana



Proposed Post Transaction GEC

- › **Tianjiang Jia**
Director
- › **Jacky Cheung Ming**
Director
- › **Oleg Sheiko**
Director, CEO of Metals Solutions
- › **David Slater**
Executive Director, CFO
- › **Mark Camaj**
General Manager Marketing
- › **Jurgen Eijgendaal**
Managing Director, Ghana

Board Composition

Current Board of Directors

- › **Vyacheslav Anishchenko**
Non-Executive Director
- › **Andreas Marangos**
Non-Executive Director
- › **Steven Bowen**
Independent Non-Executive Director
- › **David Slater**
Executive Director, CFO



Proposed Post Transaction Board of Directors

- › **Tianjiang Jia**
Director
- › **Jacky Cheung Ming**
Director
- › **Oleg Sheiko**
Director
- › **Steven Bowen**
Independent Non-Executive Director
- › **David Slater**
Executive Director, CFO

Note: Metals Solutions will be sold to TMI as part of the transaction

Product Marketing

TMI recognises the importance of maintaining arm's length terms of sales

1 Offtake Contract

- A condition precedent to the Transaction that has been satisfied is the execution of an offtake contract between MTL and Grizal (the "Offtake Contract") which will be effective from closing of the Transaction. The Offtake Contract provides that:
 - Grizal can acquire up to 600,000Mt +/- 10% per annum of Ghanaian manganese ore;
 - The contract will last for 10 years; and
 - The pricing of the Ghanaian manganese ore will be based upon market rates subject to a variable discount on price achieved and deductions based on product quality

2 Arm's Length Sales

- TMI is fully aware that intercompany sales will need to be on arm's length terms to comply with the terms of the bond indenture and also relevant legislation in Australia and Ghana
- Discussions will commence regarding the sale arrangements post expiry of the current contract in early 2017 including the possibility of using the same pricing formula as the Grizal Offtake Contract in sales between MTL and TMI's manganese ore importing business

Consents sought from Noteholders

Consents sought from Noteholders

Pursuant to the Sale and Purchase Agreement the Transaction requires the following consents from Noteholders as a condition precedent reflecting TMI's requirement that the Notes remain in place:

1 Change of Control

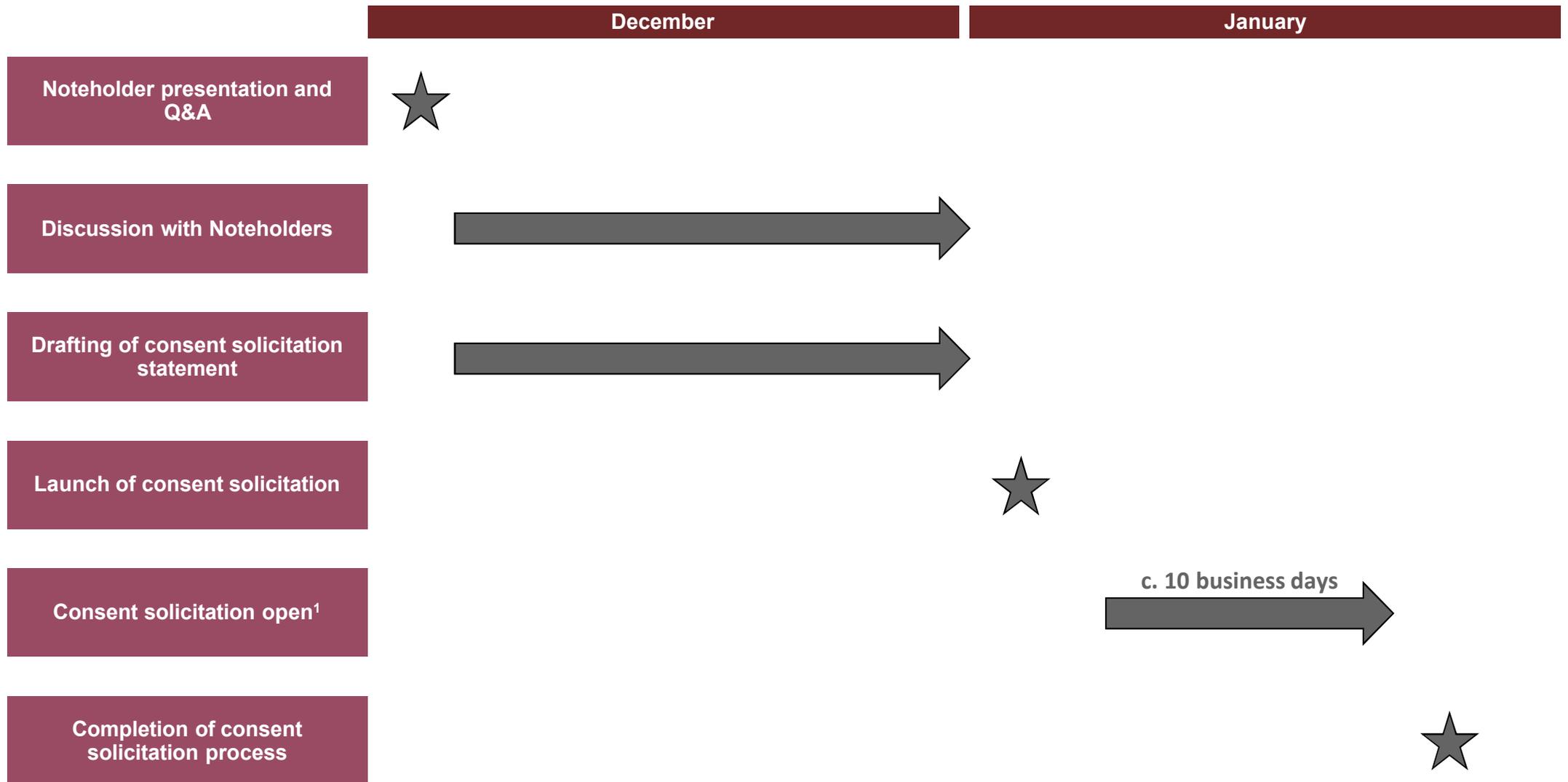
- Consents from the holders of more than 50% of the aggregate principal amount of the then outstanding Notes to the waiver by such holders of the requirement under Section 4.14 of the Notes Indenture to make a "Change of Control Offer" (as defined in the Notes Indenture) with respect to the transaction contemplated hereby and consent to related changes to the Notes Indenture

2 Release and Retake of Security

- Consents from the holders of at least 90% of the aggregate principal amount of the then outstanding Notes to the release of the security over the shares of ConsMin immediately prior to closing of the Transaction and the entry into new security over the shares of ConsMin by the Purchaser immediately after the closing of the Transaction



Timetable Considerations and Next Steps



Deadline is May 2017 but easier to engage with local Governments once Consents from Noteholders have been obtained

Note 1: The length of time for which the consent solicitation will be open is to be determined and the length of time indicated on this diagram is for illustrative purposes only

**In conclusion:
Benefits for Noteholders of the
Proposed Transaction**

Noteholders should benefit significantly from the proposed Transaction

1 TMI is a highly committed owner

- Strategic purchaser with vested interest in ConsMin
- We believe that TMI wishes to capture more of the EMM value chain and the acquisition of ConsMin is a key step to realising this goal

2 TMI willing to invest

- TMI has demonstrated interest in further developing Ghanaian infrastructure and mining assets
- We understand that TMI views the acquisition of a manganese ore miner as integral to its own growth plans

3 Offtake in Ghana

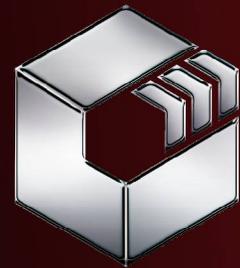
- We understand that the growing production in Ghana is likely to be a central supply source for TMI, providing an additional degree of stability in operating cash flows

4 Maintenance of Noteholder protections

- Marketing arrangements between ConsMin and TMI Group / Grizal to be on an arm's length basis

5 Continuity of current management team

- Minimum disruption in transfer of ownership by retaining key personnel
- Metals Solutions to continue providing advisory services to ConsMin



ConsMin