Consolidated Minerals Limited
September 2011

Financial Results for the three and nine months to 30 September 2011

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Consolidated Minerals Limited ('Consmin' or the 'Company')
Third Quarter Report for period ending 30 September 2011

23 November 2011

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 results for the quarter ended 30 September 2011 and the nine months to that date.

Key highlights (comparing Q3 2011 to Q3 2010)

- Consmin has continued to show strong production during the quarter – with a 23% and 103% increase in manganese and chromite production, respectively, compared to the same quarter in the prior year
- Consmin has produced updated JORC compliant Resource and Reserves statements for the manganese operations. Group manganese resources increased 14%, while Group manganese reserves increased 25%. The inaugural Resource and Reserves statement for the Coobina chromite mine has been produced. The JORC compliant resources are 1.5 Mt at 29.4% chromite.
- Sales volumes continue to be strong, with a 105% increase in manganese tonnes sold, compared to the same period in the prior year
- Manganese revenues increased by 66% to $166.2 million from Q3 2010 to Q3 2011, despite a 15% decrease in the average price achieved in the current quarter, compared to the same quarter in the prior year
- The C1 cash cost remained flat at around $3.60/dmtu, comparing this quarter with the same period in the prior year. This is despite the Australian dollar strengthening by 17% against the US dollar
- Consmin's excellent safety record continued, with no Lost Time Incidents ('LTI') reported in either country in the quarter. Additionally, on 27 October 2011, Woodie Woodie achieved a significant milestone of 1 year since the last LTI on site
- The chromite operations reached full ore production rates at the end of this quarter
- Major new shallow discovery at Woodie Woodie at the Extension Cord / Chutney prospect, with very high grade mineralised intercepts of greater than 29m at 46% Mn in three holes. Resource definition drilling at the Airport prospect continued to deliver high grade intercepts including 44m at 51% Mn, near the surface

Key Performance Indicators

Unaudited	Quarter ended 30 September 2011	30 September 2010	% change	Nine months ended 30 September 2011	30 September 2010	% change
Manganese ore produced (dry kt)	824.6	673.2	22.5%	2,403.8	2,030.9	18.4%
Manganese ore sales (dry kt)	940.9	458.2	105.3%	2,624.0	1,580.0	66.1%
Average C1 manganese unit cash cost ($/dmtu)[1]	3.63	3.59	1.1%	3.64	3.17	14.8%
Average manganese FOB sales price ($/dmtu)	5.05	5.91	(14.6%)	5.10	5.92	(13.9%)
Chromite ore produced (kt)	93.5	46.0	103.3%	225.1	113.8	97.8%
Chromite sales (kt)	91.9	67.5	36.1%	184.7	112.4	64.3%
Average C1 chromite unit cash cost ($/t)[1]	234	208	12.5%	238	152	56.6%
Average chromite FOB sales price ($/t)	231	247	(6.5%)	257	241	6.6%
Revenue ($ million)	188.0	126.0	49.2%	536.4	472.1	13.6%
Adjusted EBITDA ($ million)[2]	14.6	48.3	(69.8%)	105.2	211.3	(50.2%)

Unaudited	Quarter ended 30 September 2011	Year ended 31 December 2010	% change
Cash and cash equivalents ($ million)	227.0	97.7	132.3%
Gross debt ($ million)	438.3	66.7	557.1%
Net debt/(cash) ($ million)	211.3	(31.0)	(781.6%)

[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 unit cash cost are allocation of offsite, non-corporate, 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 less 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. We consider this measure an important indicator of our representative, recurring operations. 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.

Commenting on the results, Glenn Baldwin (CEO of Consmin) said:

"Consmin publishes its third quarterly report today, showing its results for the three and nine months to 30 September 2011. The results once again show increased production and sales across both our manganese and chromite operations, for both the quarter and the year to date, compared to the same periods in the prior year. The strong sales figures have led to strong revenue and gross profit results, which exceed our prior quarter results. It is pleasing to see that the key controllable performance indicators have continued to improve, as reflected in our safety performance and the reduction in our unit costs in local currency terms. While demand for our product remains strong, uncontrollable factors such as the soft benchmark manganese price and the appreciation in the value of the Australian dollar have had an adverse impact on results for the quarter. This quarter Consmin also published our updated manganese Resources and Reserves Statement, which showed a strong increase as a result of our extensive exploration programme. Consmin is also proud to publish the inaugural Resources and Reserves Statement for the Coobina chromite mine, which is a direct result of the resource definition work that we have undertaken at our chromite operations over the past 18 months."

About Consolidated Minerals Limited

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 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

For further information, please visit our website www.consmin.com or contact:

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Glenn Baldwin, CEO
Jackie Callaway, CFO

Conference Call

There will be a conference call for analysts and bondholders on 23 November 2011 at 4pm London time.

To access the quarterly results conference call, you must first register in advance on:
http://emea.directeventreg.com/registration/event/24181130

The quarterly results conference call, conference ID 24181130, 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.

Operational Review

Manganese Segment

Summary Overview for Manganese (Unaudited)	Quarter ended 30 September 2011	30 September 2010	% change	Nine months ended 30 September 2011	30 September 2010	% change
Total mined (kBCM)	6,139.7	7,263.7	(15.5%)	18,401.3	18,007.2	2.2%
Manganese ore produced (dry kt)	824.6	673.2	22.5%	2,403.8	2,030.9	18.4%
Australia	*379.1*	*282.4*	*34.2%*	*1,085.2*	*888.4*	*22.2%*
Ghana	*445.5*	*390.8*	*14.0%*	*1,318.6*	*1,142.5*	*15.4%*
Manganese ore produced (mdmtu)	28.9	23.5	23.0%	84.5	72.7	16.2%
Australia	*16.3*	*12.7*	*28.3%*	*47.1*	*41.3*	*14.0%*
Ghana	*12.6*	*10.8*	*16.7%*	*37.4*	*31.4*	*19.1%*
Manganese ore sales (dry kt)	940.9	458.2	105.3%	2,624.0	1,580.0	66.1%
Australia	*441.9*	*265.7*	*66.3%*	*1,188.5*	*823.3*	*44.4%*
Ghana	*499.0*	*192.5*	*159.2%*	*1,435.5*	*756.7*	*89.7%*
Manganese ore sales (mdmtu)	32.9	16.9	94.7%	93.3	59.5	56.8%
Australia	*18.7*	*11.6*	*61.2%*	*52.2*	*38.0*	*37.4%*
Ghana	*14.2*	*5.3*	*167.9%*	*41.1*	*21.5*	*91.2%*
Total capex (US$ million)	12.1	21.6	(44.0%)	43.7	42.0	4.0%
Average unit cash cost (US$/dmtu)	3.63	3.59	1.1%	3.64	3.17	14.8%

Market Conditions

Manganese
Global steel production year to date reached 1,135 million tonnes, with China remaining the key market driving steel production (year to date 527 million tonnes) and hence manganese ore demand.

Chinese crude steel production for Q3 2011 was 175 million tonnes, representing a 16% year-on-year increase (151 million tonnes in Q3 2010), and remained at an annualised rate of approximately 700 million tonnes throughout the year to September.

Chinese crude steel production has grown from 355 million tonnes in 2005 and is forecast to reach approximately 700 million tonnes in 2011, a compound annual growth rate of 12% over this time frame.

The Company believes the overall Chinese port stock levels have increased on the back of the very strong growth in Chinese crude steel production in combination with diminishing domestic ore grades and increasing costs for Chinese domestic ore, creating a reliance on all grades of imported ore for alloy production.

Chinese port stock levels were stable at 3.9 million tonnes during the quarter and have since reduced to approximately 3.78 million tonnes by the end of October.

Chinese imports of manganese ore for the year to 30 September 2011 have been 10.1 million tonnes, and are expected to reach approximately 13 million tonnes for the full year. Chinese port stock levels have ranged between 3.7 and 3.95Mt since March, while monthly Chinese imports have been strong over the same time frame, indicating that stock levels are no longer growing.

This underpins the Company's belief that the combination of Chinese crude steel growth, and alloy plants maintaining a 3 month raw material stock level demonstrates that while port stock levels are elevated they are not excessively high.

Demand for Consmin manganese ore continued to be very strong over the quarter as evidenced by record sales of 940.9 dry kt, an increase of 105 % to the corresponding quarter of 2010. This strong demand was from both EMM and ferro-alloy producers in China, India, Norway and Ukraine.

The Chinese market represents 75% of Australian ore sales year to date to October, demonstrating the continued strong demand for Australian high grade, low impurity ore by the Chinese. Consmin introduced new product grade (WW46L) early in 2011 and this product forms the majority of the volumes sold year to date to China.

Manganese ore is priced on a monthly basis with the price for 45.5% manganese remaining flat during the quarter at $5.50/dmtu CIF China and has been maintained into November. Historically the benchmark price was set using a manganese specification grade of 43.5% Mn, this specification was changed to a 45.5% Mn grade in June of this year.

Chromite
Demand for Coobina chromite ore softened through the quarter driven by falling Chinese stainless steel prices and increasing chrome ore stock levels in China. This has continued into the fourth quarter as prices have continued to come under pressure.

Chinese Stainless steel production was 3.2 million tonnes in Q3 2011, 9.4 Mt for the nine months to 30 September 2011.

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 by sealed road from Port Hedland, which is well situated to serve high-demand Asian markets, such as China. The infrastructure at Woodie Woodie includes a dedicated all-weather airstrip, allowing for air travel time of less than two hours from Perth. In 2010, Consmin was ranked as the second largest producer of manganese ore (by volume produced) in Australia, according to CRU. The manganese ore produced at Woodie Woodie is in high demand by ferro-alloy producers due to its high manganese content and very low phosphorous content which makes it well-suited for blending with the lower grade domestic ores of China and Ukraine.

Safety
Woodie Woodie recorded no LTIs for the quarter and the Lost Time Injury Frequency Rate ('LTIFR') as at 30 September 2011 was 0.6, continuing the pleasing downward trend in LTIFR (LTIFR was 1.7 as at 30 June 2011). During the quarter, a new industry average LITFR of 3.1 was published, an increase of 0.3 over the previous industry LITFR average of 2.8.

On 27 October 2011, Woodie Woodie achieved a significant milestone of 1 year since the last Lost Time Injury on site.

Production
Production at the Woodie Woodie mine increased by 34% to 379 kt of manganese ore during the quarter compared to the same period last year. The majority of ore mined during the quarter was from Greensnake, Demon, Homestead, Rhodes and Lox pits. Total BCMs mined in the third quarter, compared to the same period last year, decreased as planned due to the reduced excavator fleet and the deepening of the Greensnake pit.

To alleviate the impact on the production schedule due to the Demon slip, mining at the Rhodes pit was accelerated and mined faster than originally planned. Similar to Demon pit, there are soft clay areas, which can cause wall instability and Rhodes pit has intersected such material. The remedial work identified at Demon pit has been applied to the Rhodes pit on discovery of the clay material. As a result, we do not expect to see a material impact to production, as was the case with Demon pit.

The operations continued to maintain high levels of crusher throughput following the successful de-bottlenecking of the plant in the first quarter of this year. The Company continued to draw down stockpiles in line with our mining plan, to help offset the negative revenue factors of lower prices and the stronger Australian dollar. This provided funding for the continued stripping of our Greensnake pit, which remains on track for access to stages 3 and 4 ore blocks in early 2013. This ore source is expected to underpin Woodie Woodie production in 2013 to 2015.

Capex
A total of $0.5 million was spent on PP&E capex at Woodie Woodie during the quarter, primarily for the completion of the new lube farm facility at the main equipment workshop.

Costs associated with the purchase of five new dump trucks, and the rebuild of an existing excavator to extend its operating life, are expected be incurred in the fourth quarter. This equipment will go towards replacing one of the major contractor fleets.

Post 2012
Open pit mining at Woodie Woodie is divided into two main areas. The first is waste mining which, in the main, is undertaken by mining contractors. The five year mining contract expires on 31 December 2012 and the company has investigated options for waste mining beyond this date. The vast majority of ore mining is conducted by company owned or rented equipment and company employees. We term this 'owner-operator' mining. The successful conversion of contractor to owner-operator for production drilling has provided us with significant leanings on what such a transition involves.

The Board of Directors has approved a mining plan that recommends waste mining be conducted by the company and therefore the mining contract will not be extended at the end of 2012. In 2012, the company will purchase additional new primary mining fleet (excavators and trucks). In October 2011, orders were placed and confirmed with a globally recognised equipment manufacturer.

Key risks to the transition include, but are not limited to, recruitment of the appropriate skills (technical, operational, professional), security of critical spares (including tyres for large mining equipment) and improving the supply chain processes across the Australian operations.

A transition program has been developed and a dedicated team has been deployed to manage this transition in a staged manner over the course of the next 15 months.

Waterwall project
Rationalisation of pumping equipment continued to be an area of focus during the quarter. Utilising the information obtained from the trials carried out in the first quarter, an updated hydro-geological map of the Woodie Woodie Corridor has been developed during the current quarter. This underpins planned activity in 2012 that will be aimed at proving the commercial viability of ex-pit bore dewatering.

Exploration and Resource Development
During the quarter Resource Development drilling intersected significant manganese at a number of prospects within the Woodie Woodie Corridor. At the Extension Cord / Chutney prospect, excellent mineralised intercepts continued to be encountered including 33m at 40% Mn from 9m (CHRD085), 36m at 48% Mn from 31m (CHRD088), 45m at 46% Mn from 39m (CHRD097) and 29m at 52% Mn from 71m (CHRD091). The Extension Cord / Chutney deposit represents a major new high grade shallow discovery, highlighting the exploration potential that still remains within the Woodie Woodie Corridor. The Airport prospect (within 100m of the Extension Cord / Chutney discovery) further highlights this potential. Drilling at Airport during the quarter yielded significant high grade intercepts, including 44m at 51% Mn from 38m (APRD013), 22m at 51% Mn from 56m (APRD071) 60m at 48% Mn from 94m (APRD073) and 27m at 57% Mn from 83m (APRD074). Further drilling at both the Chutney / Extension Cord and Airport prospects is scheduled to take place in the fourth quarter of 2011 and the first half of 2012. All composite results are reported at Mn > 25% cut off and maximum internal waste of 2 metres.

Regional exploration drilling continued to be conducted at the Skull Springs, Mt Cooke and Woodie South prospects. Drilling at Mt Cooke and Skull Springs is specifically targeting the first phase delineation of large areas of known mineralisation. The aim of these programs is to quickly advance prospects with the potential to host mine scale operations that can supplement production from the Woodie Woodie Corridor. Both prospects have the potential to host large scale medium grade (25-30% Mn) ore with relatively low waste to ore stripping ratios.

During the quarter intercepts at Skull Springs included 38m at 33% Mn commencing at surface (SSRC001), 10m at 25% Mn commencing at surface (SSRC032) and 17m at 24% Mn commencing at surface (SSRC038). At Mt Cooke significant intercepts include 17m at 27% Mn commencing at surface (MCRD003), 15m at 28% Mn from 5m (MCRD018) and 26m at 25% Mn from 7m (MCRD013). Initial modelling and evaluation of these deposits is planned during the fourth quarter and the first half of 2012. Further Resource delineation drilling is expected to occur during the course of 2012 to provide Resource models for future feasibility studies. All exploration results are reported as composite results at Mn > 15% cut off and maximum internal waste of 2m.

An updated Resources and Reserves Statement has been produced this quarter. The total resources have increased 49% to 29.9 Mt, while total reserves increased 26% to 16.7 Mt – compared to the June 2010 statement.

	Tonnes (million)		**Mn %**		**Movement**
	June 2011	**June 2010**	**June 2011**	**June 2010**	**(Tonnes)**
Total Reserves	16.7	13.3	38%	40%	26%
Total Resources	29.9	20.1	40%	40%	49%

Projects
Infrastructure study work continued during the quarter, with a focus on road transport efficiency improvements and port throughput capacity increases. Results from the resource development drilling of the Mt Cooke deposit will be assessed during the fourth quarter to determine a potential scope of work for further study and development activities for this regional deposit in 2012.

Ghana: Ghana Manganese Company Limited ('GMC')

Overview
The GMC mine, also known as the Nsuta mine, comprises approximately 175km^2 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 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 an 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 good safety record at Nsuta was maintained in the quarter, with no major reportable incidents and/or accidents having been recorded at the Nsuta operations.

Production
Quarterly production in Ghana in 2011 has consistently exceeded 400 kt of produced manganese ore. Production at GMC totalled 446 kt of manganese ore during the quarter, representing an increase of 14 % compared to the same period last year. The total production during the quarter was from C Pit and total BCMs mined increased by 38% compared to the same quarter in the previous year, in

accordance with higher levels of sustainable production. Sales volumes increased by 159% to 499 kt of manganese ore during the third quarter, a new quarterly record, and there was a drawdown of stockpiles to achieve this.

Capex
$1.6 million was spent on property, plant and equipment in the quarter. The majority of this expenditure was on major components for key mining equipment such as dump trucks and excavators.

Exploration
All ore production at GMC is from C Pit, which comprises the former C North and South, D North and South and E Pits. Along the same macro-structure as C Pit, there are two other pits, A Pit and B Pit. A Pit stopped producing in the mid-1990s. Initial investigations have identified significant opportunities in and around A Pit. Exploration drilling started with the objective of confirming these opportunities. Initial drilling has been positive, with three intersections, each exceeding 30m at 27% Mn.

The 30 June 2011 JORC compliant Resources and Reserves Statement was signed off internally during the quarter. Total resources have decreased 4% to 38.3 Mt at 28.8% Mn, while total reserves increased 24% to 24.4 Mt at 29.2% – compared to the June 2010 statement.

	Tonnes (million)		Mn %		Movement
	June 2011	**June 2010**	**June 2011**	**June 2010**	**(Tonnes)**
Total Reserves	24.4	19.6	29%	28%	24%
Total Resources	38.3	39.8	29%	28%	(4%)

Projects
GMC is further studying the upgrade of its logistical and loading facilities at Takoradi Port. Discussions on a railway Public Private Partnership (PPP) with the Government of Ghana have stagnated, following the Government of Ghana's approval of a US$3bn infrastructure loan with China.

In the previous quarter, the Company purchased new mine planning software and is further developing on-site planning skills. Various community assistance based infrastructure projects have also been initiated.

On 16 November, the Government of Ghana presented its budget statement for 2012. The budget contains a number of items that will affect the Mining Industry in Ghana as a whole. It is expected that there will be an abolition of the National Fiscal Stabilisation Levy (NFSL), an increase in corporate tax rate from 25% to 35% and an amendment of the rules around capital allowances. The Company is currently looking into the full effects of the announced changes, and will provide an update in the year-end report.

Chromite Segment

Australia: Coobina

Overview
The Coobina mine ('Coobina') produces chromite ore 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. Coobina's mining operations were placed under care and maintenance in December 2008, as a result of the decline in price of chromite ore during the global financial crisis. The mine resumed production in August 2010 after positive drilling activity in early 2010 confirmed the structural geology model of Coobina's chromite deposits. Coobina's chromite ore can be used or blended to produce ferrochrome. It has good magnesium to alumina ratio, which is highly valued by alloy producers.

Safety
The excellent safety performance of the Coobina operations continued during the quarter, with no Lost Time Injuries ('LTI') being recorded.

Production
Coobina consists of several small open pit mines located in a hill. Ore mining activity during the quarter was focused on Newlands and Falcon pits with production totalling 93.5 kt of chromite ore, representing an increase of 103% compared to the same period last year, when low grade stockpiles were treated and the re-start of mining operations was just commencing. Full production was reached at the end of the quarter, and it is expected that this level of production will be maintained for the remainder of the year.

Capex
Total capex expenditure for this period was $0.3 million, the majority of which was allocated to completing the upgrade of the access road from the highway to the mine allowing for 24 hour haulage of product.

Exploration

The main exploration objective in the quarter was to provide sufficient information to produce and optimise the Finucane / Wrights deposits. These two adjacent deposits are being assessed as individual pits or as a combined lager pit. During quarter 4 we aim to establish the optimal design to maximise the net present value of these two deposits, which are planned to start being mined in the first half of 2012.

Infill drilling at Falcon and Newlands was completed for the current pit design, resulting in a greater level of certainty of ore and grade for the 2012 operational plan. Initial results at Newlands indicate significant potential to extend known Resources below the current designed pit.

The inaugural Resources and Reserves Statement was produced as at June 2011. Total reserves are 0.27 Mt at 22.5% Cr, while total resources are 1.5 Mt at 29.4%.

	June 2011	
	Tonnes (million)	**Cr %**
Total Reserves	0.3	23%
Total Resources	1.5	29%

Other Segments

Mindy Mindy

Consmin has a significant interest in Mindy Mindy tenements through its 50% shareholding in Pilbara Iron Ore Pty Ltd ('PIO') (but is subject to court determination on one of the tenements). Resource development drilling was undertaken during the quarter which was aimed at testing the depth and extension of resources. Results from this drilling are currently being analysed.

BC Iron Limited ('BC Iron')

BC Iron is an iron ore mining company listed on the ASX (ticker: BCI). The number of shares held by the Company in BC Iron remained unchanged, however, due to the exercise of options by certain BC Iron option holders, the interest in BC Iron has decreased from 25.0% to 24.9% during the quarter. The market value of the Company's holding in BC Iron at 30 September 2011 was US$54.9 million.

OM Holdings Limited ('OM Holdings')

OM Holdings is, primarily, a vertically integrated manganese marketing and mining company listed on the ASX (ticker: OMH). Consmin's shareholding in OM Holdings has remained at 11.4% during the quarter. The market value of the Company's holding in OM Holdings was US$33.3 million as at 30 September 2011.

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 and 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.

During November 2011, the Australian Federal Parliament passed legislation that introduces a price on carbon emissions, effective from 1 July 2012. The Company still estimates that gross costs will be adversely impacted by approximately $0.02 to $0.04 per dmtu produced from 1 July 2012. From 1 July 2014, the diesel fuel rebate available to the Company for its road ore haulage operations will also be reduced, further adversely impacting the gross costs for the Company by approximately $0.02 per dmtu produced.

In order to offset the likely adverse impact on its cost base, the Company is proactively working on initiatives to reduce its carbon footprint. A key initiative that is being assessed is the trial of growing plants suitable for bio fuels production, utilising excess water available from the Woodie Woodie mine. During the quarter, earthworks and fencing required for the trial were completed. The irrigation system is expected to be installed during the fourth quarter of 2011, which will enable planting of the trial plant species to commence.

People

Demand for skilled personnel across the Western Australian mining market remains strong, primarily due to capacity expansion activities of major iron ore mining companies. The Company continues to promote its employee value proposition to attract and retain suitably qualified personnel, which has to date proven to be an effective mechanism to mitigate this risk.

Financial Information and Review

Management Discussion and Analysis
Unaudited Condensed Consolidated Income Statement

$'000	Group Consolidated 3 Months Ended 30 Sept 11	30 Sept 10	Group Consolidated 9 Months Ended 30 Sept 11	30 Sept 10
Revenue	188,048	126,030	536,383	472,051
Cost of sales	(133,756)	(88,799)	(446,093)	(289,088)
Gross profit	54,292	37,231	90,290	182,963
Selling and distribution expenses	(29,553)	(14,402)	(79,219)	(41,932)
General and administrative expenses	(11,067)	(9,223)	(33,021)	(27,733)
Other operating income – net	2,059	542	5,538	4,271
Net foreign exchange gain / (loss)	(6,252)	(53,758)	(5,744)	11,172
Operating profit / (loss)	9,479	(39,610)	(22,156)	128,741
Analysed as:				
Depreciation and amortisation	(30,113)	(34,176)	(103,599)	(95,408)
Impairment write-back	-	6	-	1,680
Net foreign exchange gain / (loss)	(6,252)	(53,758)	(5,744)	11,172
Non-cash inventory write-back/(write-down)	31,220	-	(17,984)	-
Adjusted EBITDA	**14,624**	**48,318**	**105,171**	**211,297**
Share of profit / (loss) of associates	774	241	902	(62)
Gain/(loss) on disposal of available-for-sale financial investments	-	(52)	10	(9,713)
Profit / (loss) before tax and finance items	10,253	(39,421)	(21,244)	118,966
Net finance expense	(7,149)	(658)	(14,306)	(2,327)
Profit before tax	3,104	(40,079)	(35,550)	116,639
Income tax credit/(expense)	12,561	2,430	52,493	(11,305)
Profit/ (Loss) for the period	15,665	(37,649)	16,943	105,334

Unaudited Condensed Segment Information

3 Months Ended:	**Manganese**	**Chrome**	**Ferroalloys**	**Other**	**Total**
30 September 2011 – $'000					
Revenue from external customers	166,153	21,198	697	-	188,048
Cost of goods sold	(111,748)	(20,924)	(670)	(414)	(133,756)
Gross profit	54,405	274	27	(414)	54,292
30 September 2010 – $'000					
Revenue from external customers	100,153	16,687	9,190	-	126,030
Cost of goods sold	(69,550)	(10,753)	(7,732)	(764)	(88,799)
Gross profit	30,603	5,934	1,458	(764)	37,231

9 Months Ended:	**Manganese**	**Chrome**	**Ferroalloys**	**Other**	**Total**
30 September 2011 – $'000					
Revenue from external customers	475,342	47,407	13,634	-	536,383
Cost of goods sold	(377,810)	(53,714)	(13,259)	(1,310)	(446,093)
Gross profit	97,532	(6,307)	375	(1,310)	90,290
30 September 2010 – $'000					
Revenue from external customers	352,066	27,047	80,589	12,349	472,051
Cost of goods sold	(188,039)	(14,119)	(76,426)	(10,504)	(289,088)
Gross profit	164,027	12,928	4,163	1,845	182,963

Revenue

The consolidated revenue for the Group increased by 49% from $126 million in Q3 2010 to $188 million in Q3 2011. This increase primarily related to higher sales of manganese and chromite ores.

Revenue from sales of manganese ore has increased from $100 million in Q3 2010 to $166 million in Q3 2011, an increase of 66%, despite a decrease in the average manganese price achieved. The average price of our manganese ore sold in Q3 2011 was $5.05/dmtu FOB, compared to $5.91/dmtu FOB in Q3 2010, a decrease of 15%. The Group doubled its manganese sales from 458 kt in Q3 2010 to 941 kt in Q3 2011.

Revenue from sales of chromite ore increased from $17 million in Q3 2010 to $21 million in Q3 2011, an increase of 27%, despite a decrease in sales price of 4%. The main reason for the increase in revenue on a comparable basis is due to the chromite mining operations being on care and maintenance until August 2010. Whilst under care and maintenance, our production and sales of chromite ore was mainly limited to beneficiation of chromite fines. The chromite mining operations resumed in August 2010 and enabled the production of chromite lump, which accounted for the majority of the chromite ore sold in Q3 2011.

Note 7 to the financial information shows the geographic split of the Group's revenue. Sales to related parties increased from 20% in Q3 2010 to 38% in Q3 2011. However, on a year to 30 September basis, related party sales have decreased from 37% to 35%. Sales to China have increased in Q3 2011 to 61% from 59% in Q3 2010. On a year to 30 September basis, sales to China have increased from 37% in 2010 to 59% in 2011. The main reason for the increase in sales to China is due to increased sales of Ghana carbonate ore to the EMM market.

The nickel operations remained on care and maintenance during Q3 2011 and no revenue was recognised. The Group undertook a small amount of ferroalloy trading in Q3 2011. No further alloy trading is expected to be undertaken by the Group due to the decreased profitability of sales.

Cost of Sales

The cost of sales for the Group increased from $88.8 million in Q3 2010 to $133.8 million in Q3 2011, an increase of 50.7%. The split of the cost of sales ($'000) is as follows:

	Three months ended			**Nine months ended**		
	30 Sept 2011	**30 Sept 2010**	**Movement**	**30 Sept 2011**	**30 Sept 2010**	**Movement**
Manganese	111,748	69,550	42,198	377,810	188,039	189,771
Chromite	20,924	10,753	10,171	53,714	14,119	39,595
Other	1,084	8,496	(7,412)	14,569	86,930	(72,361)
Total	**133,756**	**88,799**	**44,958**	**446,093**	**289,088**	**157,005**

Manganese

A breakdown of the manganese cost of sales ($'000) is as follows:

	Three months ended			**Nine months ended**		
	30 Sept 2011	**30 Sept 2010**	**Movement**	**30 Sept 2011**	**30 Sept 2010**	**Movement**
Deferred stripping	(8,955)	(20,187)	11,232	(33,822)	(35,194)	1,371
Mining and production expenses	71,776	60,404	11,373	212,514	163,198	49,316
Depreciation and amortisation	25,447	33,325	(7,878)	92,278	90,897	1,381
Royalties and other taxes	7,867	6,954	913	27,022	25,111	1,911
Net movement in inventories	43,670	(11,202)	54,872	67,203	(56,031)	123,234
Inventory write(back) / down	(28,141)	137	(28,278)	12,283	-	12,283
Other	84	119	(36)	332	58	274
Total	**111,748**	**69,550**	**42,198**	**377,810**	**188,039**	**189,771**

As mentioned previously, the strengthening of the Australian dollar against the US dollar has had a significant impact on the Australian operations, as the majority of their cost base is denominated in Australian dollars. In quarter three, the exchange rate increased 17%, compared to the prior year – which increased total cost of sales by over $13 million. For the nine months to 30 September, the exchange rate increased 16% compared to the same period in the prior year – which increased total cost of sales by over $45 million.

In Q3 2011, the deferred stripping credit decreased by $11 million to $9 million, compared to the prior year. Deferred stripping is an accounting treatment which is intended to appropriately match the costs of production with the economic benefits over the life of a mine. Deferred stripping is a generally accepted accounting principle for the mining industry and is required under International Financial Reporting Standards (IFRS). Deferred stripping is calculated in relation to the stripping ratio of individual mine pits. The average expected life-of-mine stripping ratio is calculated and used to determine deferred stripping. When the actual stripping ratio in a period is higher than the expected average, the excess stripping costs are capitalised to the balance sheet and included in 'Property, Plant & Equipment'. These capitalised costs are credited to cost of sales, thereby reducing cost of sales. In a period when the actual stripping ratio is lower than the remaining average for an individual pit, the previously capitalised costs are expensed through cost of sales.

In the quarter, the stripping ratio for the pits was slightly higher than the life-of-mine averages, and so a credit to cost of sales of $9 million was recorded. This was lower than in the same quarter last year – however, the numbers are not directly comparable. As deferred stripping is a function of the stripping ratio, it is impacted by the mining plan. This quarter, the Company is in a different stage of the mining plan - one which results in a lower stripping ratio than last year. This is an expected movement. Additionally, the Company produced an updated Resources and Reserves statement in this quarter. This statement increased the levels of the Company's reserves and resources and lowered the remaining life of mine strip ratios, which also had an impact on deferred stripping.

Mining and production expenses have increased $12 million to $72 million in Q3 2011, compared to the same quarter in the prior year. The strengthening of the Australian dollar accounts for almost $9 million of this movement – the majority of the balance relates to increases in fuel prices. For the nine months ending 30 September, mining and production expenses have increased $49 million compared to the prior year. Once again, the strengthening of the Australian dollar has played a significant role, accounting for approximately half of that increase. The majority of the balance of the increase, close to $20 million, related to increases in load and haul costs, from both the increase in production and BCMs moved and the increase in the cost of fuel.

Depreciation and amortisation has decreased $8 million this quarter, compared to the same quarter last year – while for the nine months to 30 September, it has increased $1 million, compared to the same period in the prior year. A significant part of depreciation and amortisation is a function of mining production and mine planning, as mining plant and equipment is depreciated on units of production basis. In Q3 2011 less ore was mined than in the same period in the prior year due to the scheduling of ore access in accordance with the long term mine plan. As a result, depreciation was lower than the prior year. The extension of the mines reserves and resources also impacted the balance, by increasing the ore tonnes over which the assets are depreciated, therefore reducing the expense for the period.

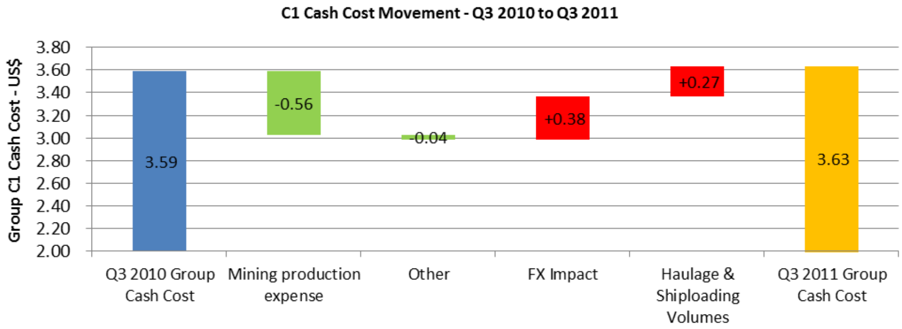
Inventories impact the cost of sales through the movement of the stockpiles and through the net realisable value (NRV) adjustments. The expense, or credit, for net movement in inventories reflects the difference between the total stockpiles at the beginning and the end of the period. In periods where there are higher ore sales than ore produced the Company draws down its stockpiles. When the stockpiles are drawn down, the costs associated with the inventory is expensed through the cost of sales. This is what has occurred in Q3 2011 – the Company has drawn down stockpiles as a result of the significant increase in sales compared to the prior year. Run of mine (ROM) stockpiles have been reduced by almost 190 kt, while product stockpiles were reduced by over 100 kt in the period. These stockpile movements led to the expense in cost of sales of $44 million in the quarter – compared to a net inventory credit of $11 million in Q3 2010, when total stockpiles increased over 50 kt in the quarter. Similarly, for the nine months to 30 September 2011, there has been an expense of $67 million to the cost of sales as the stockpiles have been drawn down. During these nine months, ROM stockpiles have decreased by over 600 kt, while product stockpiles have reduced by over 200 kt. This can be compared to the same period in prior year, when ROM stockpiles reduced by almost 80 kt, but product stockpiles increased by over 500 kt, leading to a credit of $56 million to the cost of sales.

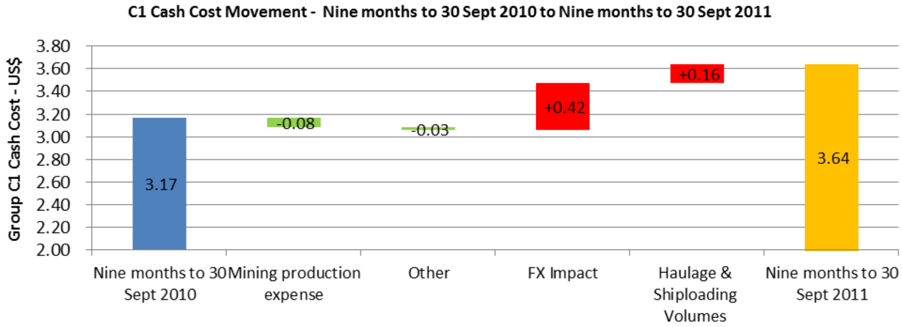
There was a non-cash inventory NRV adjustment in the quarter of a $28 million credit. This credit item relates to the reversal of a significant portion of the NRV provision that was made in Q2 2011, as a result of realisation of the NRV provision against sales made during the quarter.

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 shiploading, over the total manganese dmtu produced. C1 manganese unit cash costs are calculated as follows:

US$000	Three months ended		Nine months ended	
	30 Sept 2011	**30 Sept 2010**	**30 Sept 2011**	**30 Sept 2010**
Manganese Cost of Sales	**111,748**	**69,550**	**377,810**	**188,039**
Less: Deferred stripping	8,955	20,187	32,882	35,194
Less: Depreciation	(25,447)	(33,325)	(92,278)	(90,897)
Less: Government royalties	(4,122)	(3,209)	(16,352)	(13,971)
Less: Movement in inventories	(43,670)	11,202	(67,203)	56,031
Less: Inventory NRV adjustment	28,141	-	(12,283)	-
Adjusted Cost of Sales	**75,605**	**64,405**	**222,576**	**174,396**
Add: Selling & distribution	23,505	13,127	66,799	39,524
Add: General & admin expense	5,691	6,716	17,796	16,368
C1 Cash Costs Expense	**104,801**	**84,248**	**307,171**	**230,288**
Total Manganese Produced - mDMTU	28.9	23.5	84.5	72.7
C1 Cash Cost	**3.63**	**3.59**	**3.64**	**3.17**

The average C1 unit cost of manganese production, on a "fully expensed" mining cost basis, slightly increased from $3.59/dmtu in Q3 2010 to $3.63/dmtu in Q3 2011. Comparing the nine months to 30 September, the cash costs have increased from $3.17/dmtu in 2010 to $3.64/dmtu in 2011. The graphs below show the significant movements across the two periods. In both periods there was a decrease in the underlying mining production expenses. However, these savings were overtaken by the increases in costs as a result of the strengthening of the Australian dollar and increases in haulage and shiploading volumes over production.





Chromite

Cost of sales for the chromite segment almost doubled to $21 million, compared to the same quarter last year. Of this increase, $8 million related to mining and production expense which increased as a result of the significantly higher production in Q3 2011. The Coobina chromite mine re-commenced mining operations in August 2010, resulting in the full quarter of mining costs in Q3 2011 being compared against less than half a quarter of mining costs in the corresponding period in the prior year. Additionally, the strengthening of the Australian dollar added almost $3 million to the costs.

Gross Profit

Gross profit for the Group has increased by 46%, from $37million in Q3 2010 to $54 million in Q3 2011.

Gross profit for the manganese segment increased by 74% from $31 million in Q3 2010 to $54 million in Q3 2011. This has been mainly driven by the doubling in sales tonnage for the quarter.

Gross profit for the chromite segment decreased from $5.9 million in Q3 2010 to a gross profit of $0.3 million in Q3 2011. This decrease was predominantly due to increases in cost of sales as a result of the restarting of the chromite mining operations. Gross profit was also impacted by the decrease in the sales price from $247/tonne in Q3 2010 to $231/tonne in Q3 2011 and the adverse impact of the strengthening of the Australian dollar.

Other Key Items

- Selling and distribution expenses increased from $14 million in Q3 2010 to $30 million in Q3 2011. This increase is predominantly due to the increase in the sales of manganese and chromite – which increased, on a tonnage basis, by 105% and 36% respectively. Efficiency improvements in haulage have been made, however they have been somewhat negated by the increase in tonnes sold and the strengthening of the Australian dollar.

- General and administrative expenses for the group increased from $9.2 million in Q3 2010 to $11.1 million in Q3 2011. The increase in general and administrative expenses was primarily due to the increase in charges relating to the Government of Ghana's National Fiscal Stabilisation levy.

- 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 credit in Q3 2011 of $12.6 million, compared to an income tax credit of $2.4 million in Q3 2010. This credit has arisen mainly due to the income tax credits arising from the Australian operations.

Profit for the Period

The Group has recognised a profit for Q3 2011 of $15.7 million compared to a loss of $37.6 million in Q3 2010. The loss in Q3 2010 is primarily due to a $54 million net foreign exchange loss. In the prior year, the shareholder loan was denominated in British Pounds and the strengthening of the British Pound against the US dollar, resulted in the significant foreign exchange loss.

Unaudited Condensed Consolidated Balance Sheet

$'000	Group Consolidated As at 30 Sept 11	Group Consolidated As at 31 Dec 10
Cash and cash equivalents	226,959	97,745
Other current assets	167,054	226,727
Non-current assets	1,053,118	1,147,839
Total assets	1,447,131	1,472,311
Current borrowings	47,659	64,635
Non-current borrowings	390,682	2,056
Other Current liabilities	116,223	91,776
Other Non-current liabilities	51,492	106,594
Total Liabilities	606,056	265,061
Total equity	841,075	1,207,250

The movement in the Australian dollar / US dollar exchange rate has had a significant impact on the Balance Sheet as at 30 September 2011. The spot exchange rate, which is used to translate the Balance Sheet, has decreased 4% between 30 December 2010 and 30 September 2011. This has led to a decrease in reserves of $80 million, as at 30 September 2011.

Cash and Cash Equivalents

Cash and cash equivalents increased from $97.7 million on 31 December 2010 to $227.0 million on 30 September 2011, an increase of 132.2%. This is mainly due to the cash growth from operations, as well as bond proceeds received.

Borrowings

Group current borrowings have decreased from $64.6 million on 31 December 2010 to $47.7 million on 30 September 2011, a decrease of 26.2%. Non-current borrowings have increased to $390.7 million, primarily due to the issuing of the $405 million bond in April 2011.

Guarantor Group

During the nine months ended 30 September 2011, the Guarantors represented 82.4% (30 September 2010: 89.6%) of our consolidated revenues and 62.7% (30 September 2010: 91.8%) of our consolidated EBITDA. As of 30 September 2011, the Guarantors represented 90.5% of our consolidated total assets (30 September 2010: 93.2%). As of 30 September 2011, the non-guarantor subsidiaries have $10.4 million (30 September 2010: $17.6 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 Cash Flow Statement

	Group Consolidated 3 Months Ended		Group Consolidated 9 Months Ended	
$'000	30 Sept 11	30 Sept 10	30 Sept 11	30 Sept 10
Cash flows from operating activities	51,784	(9,406)	115,914	73,712
Cash flows from investing activities	(11,456)	(20,309)	(54,731)	(725)
Cash flows from financing activities	(9,186)	(1,673)	86,533	(31,174)
Increase / (decrease) in cash and cash equivalents	31,142	(31,388)	147,716	41,813
Cash and cash equivalents at the start of the period	178,671	78,522	62,071	5,069
Exchange (losses)/gains on cash and cash equivalents	(3,425)	4,117	(3,399)	4,369
Cash and cash equivalents at the end of the period	**206,388**	**51,251**	**206,388**	**51,251**

Cash Flows

Net cash generated from operating activities amounted to $51.8 million in Q3 2011 compared to net cash used in operations of $9.4 million in Q3 2010. Net cash used in investing activities was a net cash outflow of $11.5 million in Q3 2011 compared to a net cash outflow of $20.3 million in Q3 2010. The decrease is primarily attributable to a decrease in the purchase of property, plant & equipment, which decreased $9.6 million between the periods – however, this is a timing impact of the cash flow. Net cash used in financing activities was an outflow of $9.2 million in Q3 2011 compared to an outflow of $1.7 million in Q3 2010. The movement is predominantly due to additional cash outflows from the repayment of stockpile funding in Q3 2011, compared to a net drawdown in Q3 2010.

There was a net increase in cash and cash equivalents in Q3 2011 of $31.1 million, compared to a net decrease of $31.4 million in Q3 2010. This increase is due to the significant increase in sales during the period as well as significant savings as a result of the organisational efficiencies introduced by the Company. These were partially offset by the uncontrollable issues of the strengthening of the Australian dollar and the lower sales price.

Consolidated Minerals Limited

Unaudited Condensed Consolidated Interim Financial Information
For the Third Quarter and Nine Months Ended 30 September 2011

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

$'000	Note	Three months ended 30 September 2011	Three months ended 30 September 2010	Nine months ended 30 September 2011	Nine months ended 30 September 2010
Revenue	7	188,048	126,030	536,383	472,051
Cost of sales	8	(133,756)	(88,799)	(446,093)	(289,088)
Gross profit		54,292	37,231	90,290	182,963
Selling and distribution expenses		(29,553)	(14,402)	(79,219)	(41,932)
General and administrative expenses		(11,067)	(9,223)	(33,021)	(27,733)
Other operating income / (expenses) – net		2,059	536	5,538	2,591
Net foreign exchange (loss) / gain		(6,252)	(53,758)	(5,744)	11,172
Impairment write-back		-	6	-	1,680
Operating profit / (loss)		9,479	(39,610)	(22,156)	128,741
Analysed as:					
Depreciation and amortisation		(30,113)	(34,176)	(103,599)	(95,408)
Impairment write-back / (expense)		-	6	-	1,680
Net foreign exchange gain/ (loss)		(6,252)	(53,758)	(5,744)	11,172
Non cash inventory write-back/(writedown)		31,220	-	(17,984)	-
Adjusted EBITDA		**14,624**	**48,318**	**105,171**	**211,297**
Share of profit / (loss) of associates		774	241	902	(62)
Gain / (loss) on disposal of available-for-sale financial investments		-	(52)	10	(9,713)
Profit / (loss) before tax and finance items		10,253	(39,421)	(21,244)	118,966
Finance income		3,823	146	6,119	390
Finance costs		(10,972)	(804)	(20,425)	(2,717)
Profit / (loss) before tax		3,104	(40,079)	(35,550)	116,639
Income tax credit / (expense)		12,561	2,430	52,493	(11,305)
Profit / (loss) for the period		15,665	(37,649)	16,943	105,334
Other comprehensive income					
Available-for-sale financial investments		(17,193)	8,830	(47,292)	(16,307)
Net foreign currency translation differences		(72,245)	100,858	(32,767)	67,742
Income tax relating to components of other comprehensive income		737	(933)	417	(190)
Other comprehensive income for the year, net of tax		(88,701)	108,755	(79,642)	51,246
Total comprehensive income for the period		(73,036)	71,106	(62,699)	156,580
Profit / (loss) attributable to:					
Equity holders of the parent company		14,812	(37,833)	14,860	104,544
Non-controlling interest		853	184	2,083	790
Total comprehensive income attributable to:					
Equity holders of the parent company		(73,889)	70,922	(64,782)	155,790
Non-controlling interest		853	184	2,083	790

The notes on pages 21 to 27 are an integral part of this unaudited Consolidated Interim Financial Information.

Unaudited condensed consolidated balance sheet

$'000	Note	As at 30 September 2011	As at 31 December 2010
ASSETS			
Non-current assets			
Property, plant and equipment		824,058	879,105
Intangible assets		78,848	76,582
Goodwill		74,078	75,791
Investments in associates		38,697	27,172
Available-for-sale financial investments		35,685	86,129
Trade and other receivables		1,752	3,060
Total non-current assets		1,053,118	1,147,839
Current assets			
Inventories		101,516	172,862
Trade and other receivables		65,538	53,865
Cash and cash equivalents	9	226,959	97,745
Total current assets		394,013	324,472
Total assets		1,447,131	1,472,311
EQUITY AND LIABILITIES			
Equity			
Share capital		204,721	204,721
Subordinated shareholder loans treated as equity		966,171	1,218,997
Reserves		2,383	82,025
Retained earnings		(347,152)	(312,012)
Equity attributable to equity holders of the parent Company		826,123	1,193,731
Non-controlling interest		14,952	13,519
Total equity		841,075	1,207,250
Non-current liabilities			
Borrowings	10	390,682	2,056
Trade and other payables		5,673	5,427
Provisions		40,298	36,844
Deferred tax liabilities		5,521	64,323
Total non-current liabilities		442,174	108,650
Current liabilities			
Borrowings	10	47,659	64,635
Trade and other payables		110,054	83,315
Provisions		6,169	8,461
Total current liabilities		163,882	156,411
Total liabilities		606,056	265,061
Total equity and liabilities		1,447,131	1,472,311

The notes on pages 21 to 27 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 2011

$'000	Share capital	Shareholder equity*	Reserves	Retained earnings	Total Attributable to equity holders of the parent	Non controlling interest	Total
Balance at 1 January 2011	204,721	1,218,997	82,025	(312,012)	1,193,731	13,519	1,207,250
Total comprehensive income for the nine month period			(79,642)	14,860	(64,782)	2,083	(62,699)
Repayment of shareholder loan treated as equity		(252,826)			(252,826)		(252,826)
Dividend paid				(50,000)	(50,000)	(650)	(50,650)
Balance at 30 September 2011	204,721	966,171	2,383	(347,152)	826,123	14,952	841,075

Unaudited condensed consolidated statement of changes in equity for the nine months ended 30 September 2010

$'000	Share capital	Shareholder equity*	Reserves	Retained earnings	Total Attributable to equity holders of the parent	Non controlling interest	Total
Balance at 1 January 2010	204,721	-	2,376	(439,987)	(232,890)	12,825	(220,065)
Total comprehensive income for the nine month period	-	-	51,246	104,543	155,789	790	156,579
Proceeds from the issue of shares	-	-	-	-	-	179	179
Dividends paid	-	-	-	-	-	(634)	(634)
Balance at 30 September 2010	204,721	-	53,622	(335,444)	(77,101)	13,160	(63,941)

*In November 2010, the terms of the Company's loan agreements with Grizal Enterprises Ltd, a company 100% owned by the ultimate shareholder, were amended upon agreement by both parties. As a result of these amendments, the loans are now classified as equity under IFRS.

The notes on pages 21 to 27 are an integral part of this unaudited Consolidated Interim Financial Information.

Unaudited condensed consolidated cash flow statement for the three and nine months ended 30 September

$'000	Note	Three months ended 30 September 2011	Three months ended 30 September 2010	Nine months ended 30 September 2011	Nine months ended 30 September 2010
Cash flow from operating activities					
Receipts from customers		181,840	136,334	539,589	518,361
Payments to suppliers and employees		(143,454)	(152,992)	(455,381)	(462,979)
Cash generated from operations		38,386	(16,658)	84,208	55,382
Interest received		3,230	154	5,294	398
Interest paid		(1,561)	(1,051)	(3,266)	(3,756)
Value added taxes received		13,611	10,384	42,111	27,536
Income taxes paid		(1,882)	(2,235)	(12,433)	(5,848)
Net cash generated from operating activities		51,784	(9,406)	115,914	73,712
Cash flow from investing activities					
Payments for development expenditure		(3,752)	(4,276)	(14,832)	(7,761)
Purchase of property, plant and equipment		(2,398)	(11,985)	(17,685)	(23,327)
Proceeds from sale of property, plant and equipment		16	202	213	450
Payments for mineral exploration and evaluation expenditure		(5,910)	(5,304)	(11,227)	(10,922)
Proceeds from dividends received		15	1,039	1,202	1,041
Purchase of available-for-sale financial investments		(4)	-	(684)	-
Proceeds from sale of available-for-sale financial investments		4	135	694	41,280
Payments for investments in associates		(74)	(1,486)	(12,402)	(1,486)
Proceeds from investments in associates		-	-	-	-
Payments for other financial assets		647	1,366	(10)	-
Net cash used for / (generated from) investing activities		(11,456)	(20,309)	(54,731)	(725)
Cash flow from financing activities					
Proceeds from related party borrowings		-	540	-	47,023
Repayments of shareholder loan treated as equity		-	(5,000)	(252,826)	(31,669)
Dividends paid to equity holders of the parent company		-	-	(50,000)	-
Dividends paid to non-controlling interest		(650)	-	(650)	
Net proceeds from issue of senior secured notes		(56)	-	389,828	-
Repayment of bank borrowings		(1,903)	(2,358)	(492)	(46,859)
Proceeds from stockpile funding		79,283	41,280	115,146	124,101
Repayment of stockpile funding		(85,860)	(36,135)	(114,473)	(123,770)
Net cash generated from / (used for) financing activities		(9,186)	(1,673)	86,533	(31,174)
Net increase in cash and cash equivalents		31,142	(31,388)	147,716	41,813
Cash and cash equivalents at the beginning of the period		178,671	78,522	62,071	5,069
Exchange gains/(losses) on cash and cash equivalents		(3,425)	4,117	(3,399)	4,369
Cash and cash equivalents at the end of the period	9	206,388	51,251	206,388	51,251

The notes on pages 21 to 27 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, JE3 2RU.

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 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).

2. Basis of preparation of interim report
This condensed consolidated interim financial information for the third quarter and nine months ended 30 September 2011 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 2010, which has 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 2010 but comparative information is derived from those accounts. Statutory accounts for 2010 have been filed with the Jersey registrar of companies and the auditors have issued an unqualified audit opinion on these accounts.

3. Accounting policies
The accounting policies are consistent with those of the annual financial information for the year ended 31 December 2010, 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) New standards that are not yet effective and have not been early adopted by the Group
IFRS 9, 'Financial instruments', addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption.
There will be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss, and the group does not have any such liabilities. The derecognition rules have been transferred from IAS 39, 'Financial instruments: Recognition and measurement', and have not been changed. The group has not yet decided on the early adoption of IFRS 9.

(b) Interpretations and amendments to existing standards that are not yet effective or not relevant for the Group's operations

- Amendment to IAS 12,'Income taxes' on deferred tax (effective 1 January 2012)
- IAS 24 Related Party Disclosures (Revised) (effective 01 January 2011)
- Amendments to IAS 32 Financial instruments: Presentation on classification of rights issues (effective 1 February 2010)
- IFRS 7 Financial Instruments: Disclosures (effective 1 July 2011)
- Amendment to IFRIC 14, 'Prepayments of a Minimum Funding Requirement' (effective 1 January 2011)
- IFRIC 19, 'Extinguishing financial liabilities with equity instruments' (effective 1 July 2010)
- In May 2010 the IASB issued *improvements to IFRSs*, a further omnibus of amendments to its standards (effective 1 January 2011).
- IFRIC 20, 'Stripping Costs in the Production Phase of a Surface Mine' (effective 1 January 2013).

(c) Foreign currency translation
The following foreign exchange rates against the United States Dollar have been used in the preparation of the consolidated financial statements:

	Average 3 months to 30 Sept 2011	Average 9 months to 30 Sept 2011	30 Sept 2011	Average 3 months to 30 Sept 2010	Average 9 months to 30 Sept 2010	31 December 2010
Australian dollar	1.0524	1.0404	0.9791	0.9025	0.8971	1.0163

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, that were not included in the financial information included in the Offering Memorandum, are discussed below.

<u>Net realisable value (‘NRV’) adjustments on ore stockpiles</u>

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.

In the third quarter of 2011, the Group recognised a NRV adjustment of credit $31.2 million (Q3 2010: nil) relating to inventories held in Australia, as a result of the realization of the NRV provision against the sales made during the quarter. In the nine month period to 30 September 2011, the Group recognized a NRV write down of $18 million (nine months to 30 September 2010: nil) relating to inventories held in Australia.

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 summarized 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 materialize 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 program.

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, as well as the trading of ferroalloys. Other operations consist of on-market trading of third party ore, iron ore projects, nickel operations (which have been put on care and maintenance) and administration and corporate head office functions.

The segment information provided for the third quarter and nine months ended 30 September 2011 and 2010 is as follows:

Quarter ending 30 September 2011	**Manganese**	**Chromite**	**Ferroalloys**	**Other**	**Total**
$'000					
Revenue from external customers	166,153	21,198	697	-	188,048
Cost of goods sold	(111,748)	(20,924)	(670)	(414)	(133,756)
Gross profit/(loss)	54,405	274	27	(414)	54,292
Adjusted EBITDA	26,336	(3,279)	26	(8,459)	14,624
Depreciation and amortisation	(25,612)	(4,407)	-	(94)	(30,113)
Non-cash inventory write-back/(writedown)	28,140	3,080	-	-	31,220
Finance Income	71	0	-	3,752	3,823
Finance costs	(903)	(54)	-	(10,015)	(10,972)
Net foreign exchange (loss)/gain	(4,571)	(217)	-	(1,464)	(6,252)
Share of profit / (loss) of associates	-	-	-	774	774
Profit/(loss) before tax	23,461	(4,877)	26	(15,506)	3,104
Income tax credit/(expense)	5,535	1,515	-	5,511	12,561

Quarter ending 30 September 2010	**Manganese**	**Chromite**	**Ferroalloys**	**Other**	**Total**
$'000					
Revenue from external customers	100,153	16,687	9,190	-	126,030
Cost of goods sold	(69,550)	(10,753)	(7,732)	(764)	(88,799)
Gross profit/(loss)	30,603	5,934	1,458	(764)	37,231
Adjusted EBITDA	55,855	4,001	1,458	(12,996)	48,318
Depreciation and amortisation	(33,444)	(568)	-	(164)	(34,176)
Finance Income	6	-	-	140	146
Finance costs	(547)	(48)	-	(209)	(804)
Impairment write-back/ (expense)	-	-	-	6	6
Net foreign exchange (loss)/gain	(120)	-	-	(53,638)	(53,758)
Gain / (loss) on disposal of available-for-sale financial investments	-	-	-	(52)	(52)
Share of profit / (loss) of associates	-	-	-	241	241
Profit/(loss) before tax	21,750	3,385	1,458	(66,672)	(40,079)
Income tax credit/ (expense)	249	(809)	-	2,990	2,430

Nine Months ending 30 September 2011 $'000	Manganese	Chromite	Ferroalloys	Other	Total
Revenue from external customers	475,342	47,407	13,634	-	536,383
Cost of goods sold	(377,810)	(53,714)	(13,259)	(1,310)	(446,093)
Gross profit/(loss)	97,532	(6,307)	375	(1,310)	90,290
Adjusted EBITDA	128,055	(691)	374	(22,567)	105,171
Depreciation and amortisation	(92,792)	(10,512)	-	(295)	(103,599)
Non-cash inventory write-back/(writedown)	(12,283)	(5,701)	-	-	(17,984)
Finance Income	246	0	-	5,873	6,119
Finance costs	(2,233)	(173)	-	(18,019)	(20,425)
Net foreign exchange (loss) /gain	(4,139)	(217)	-	(1,388)	(5,744)
Gain/(loss) on disposal of available for sale financial investments	-	-	-	10	10
Share of profit / (loss) of associates	-	-	-	902	902
Profit/(loss) before tax	16,854	(17,294)	374	(35,484)	(35,550)
Income tax credit /(expense)	28,081	5,829	-	18,583	52,493
Total assets 30 September 2011	1,057,433	65,398	410	323,890	1,447,131
Total assets includes:					
Investments in associates	-	-	-	38,697	38,697
Goodwill	74,078	-	-	-	74,078
Non-current assets (other than financial instruments and deferred tax assets)	851,403	33,521	-	17,982	902,906
Additions to non-current assets (other than financial instruments and deferred tax assets)	94,595	6,105	-	1,880	102,580
Total liabilities	(193,623)	(19,620)	(18)	(392,795)	(606,056)

Nine months ending 30 September 10 $'000	Manganese	Chromite	Ferroalloys	Other	Total
Revenue from external customers	352,066	27,047	80,589	12,349	472,051
Cost of goods sold	(188,039)	(14,119)	(76,426)	(10,504)	(289,088)
Gross profit/(loss)	164,027	12,928	4,163	1,845	182,963
Adjusted EBITDA	220,192	10,315	4,163	(23,373)	211,297
Depreciation and amortisation	(91,500)	(3,376)	-	(532)	(95,408)
Finance Income	6	-	-	384	390
Finance costs	(1,833)	(118)	-	(766)	(2,717)
Impairment write-back/ (expense)	-	-	-	1,680	1,680
Net foreign exchange (loss) / gain	(1,070)	-	-	12,242	11,172
(Loss) / gain on disposal of available-for-sale financial investments	-	-	-	(9,713)	(9,713)
Share of profit / (loss) of associates	-	-	-	(62)	(62)
Profit before tax	125,795	6,821	4,163	(20,140)	116,639
Income tax (expense) / credit	(21,074)	(1,840)	-	11,609	(11,305)
Total assets 31 December 2010	1,128,346	57,446	-	286,519	1,472,331
Total assets includes:					
Investments in associates	-	-	-	27,172	27,172
Goodwill	75,791	-	-	-	75,791
Non-current assets (other than financial instruments and deferred tax assets)	885,322	39,646	-	97,788	1,022,756
Additions to non-current assets (other than financial instruments and deferred tax assets)	129,656	7,358	-	1,850	138,864
Total liabilities	(188,119)	(21,194)	(57)	(55,691)	(265,061)

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

	3 Months Ended 30 Sept		**9 Months Ended 30 Sept**	
$'000	**2011**	**2010**	**2011**	**2010**
Adjusted EBITDA	14,624	48,318	105,171	211,297
Depreciation and amortisation	(30,113)	(34,176)	(103,599)	(95,408)
Non-cash inventory write-back/(writedown)	31,220	-	(17,984)	-
Impairment write-back	-	6	-	1,680
Net foreign exchange (loss)/gain	(6,252)	(53,758)	(5,744)	11,172
Share of gain/(loss) of associates	774	241	902	(62)
Gain / (loss) on disposal of available-for-sale financial investments	-	(52)	10	(9,713)
Profit/(loss) before tax and finance items	10,253	(39,421)	(21,244)	118,966

Adjusted EBITDA is operating profit plus depreciation and amortisation, impairment write-back / (expense), net foreign exchange gain/ (loss) and non-cash inventory write-downs. Management believes that Adjusted EBITDA provides a clearer picture of our results generated by our core operating activities, thus enabling management to evaluate relevant trends more meaningfully when considered in conjunction with (but not in lieu of) other measures that are calculated in accordance with IFRS. In particular, Adjusted EBITDA is considered a useful benchmark because it allows management to analyse our operations without the effect of non-cash items such as depreciation and amortisation expense and foreign exchange gains and losses. Adjusted EBITDA is not a uniformly or legally defined measure and is not recognised under IFRS or any other generally accepted accounting principles. We consider this measure an important indicator of our representative, recurring operations. 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 Sept		9 Months Ended 30 Sept	
$'000	**2011**	**2010**	**2011**	**2010**
China	114,663	73,851	318,515	174,404
Ukraine*	52,532	8,102	153,683	139,483
South Korea	-	297	-	59,096
Georgia*	7,855	16,579	20,758	26,630
United States of America*	11,242	989	11,242	5,817
Romania*	-	-	-	925
Other	1,756	26,212	32,185	65,696
Total revenue by geographic destination	188,048	126,030	536,383	472,051

***Sales to related parties**

8. Cost of sales

	3 Months Ended 30 Sept		9 Months Ended 30 Sept	
$'000	**2011**	**2010**	**2011**	**2010**
Deferred stripping	(8,954)	(22,134)	(33,822)	(37,141)
Mining and production expenses	86,962	67,464	256,695	175,731
Purchases of ores and ferroalloys for sale	670	7,732	13,259	84,545
Depreciation and amortisation	29,949	34,047	103,086	94,774
Royalties and other taxes	8,908	7,788	29,223	26,492
Net movement in inventories	47,359	(6,217)	59,336	(55,371)
Inventory write(back) / down	(31,220)	-	17,984	-
Other	82	119	332	58
Total cost of sales	133,756	88,799	446,093	289,088

9. Cash and cash equivalents

$'000	**30 September 2011**	**31 December 2010**
Cash at bank and in hand	226,844	97,542
Short-term bank deposits	115	203
Cash and cash equivalents at the end of the period	226,959	97,745
Less: bank overdrafts	(20,571)	(35,674)
Net cash and cash equivalents per the cash flow statement	206,388	62,071

10. Borrowings

$'000	**30 September 2011**	**31 December 2010**
Non-current		
Senior secured high yield notes	387,093	-
Finance lease liabilities – hire purchase loans	3,589	2,056
	390,682	2,056
Current		
Bank overdrafts	20,571	35,674
Finance lease liabilities – hire purchase loans	3,589	6,010
Stockpile funding	23,499	22,951
	47,659	64,635
Total borrowings	438,341	66,691

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 our existing and future indebtedness that is not subordinated in right of payment to the notes.

The senior secured notes are stated in borrowings net of repurchases and net of unamortised issue costs of $12.1 million. Unamortised costs are allocated 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.

The Australian stockpile funding and overdraft facilities are secured by a first ranking fixed and floating charge over trade receivables and stockpiled manganese and chromite ore held in Australia. Stockpile funding drawdowns under the Multi-Option Facility Agreement are for 30 day periods, renewable every 30 days.

The carrying value of party 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:

$'000	**30 September 2011**	**31 December 2010**
Interest free and repayable on demand	-	-
6 months or less	45,864	61,630
6 - 12 months	1,795	3,005
1 - 5 years	390,682	2,056
Over 5 years	-	-
	438,341	66,691

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

$'000	**30 September 2011**	**31 December 2010**
US dollar	431,229	58,625
Australian dollar	7,112	8,066
	438,341	66,691

11. Contingent liabilities and contingent assets

There has been no change in circumstances relating to contingent liabilities already disclosed in the 31 December 2010 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 and nine months ended 30 September.

$'000	3 Months Ended 30 September Sales to related parties	Purchases from related parties	9 Months Ended 30 September Sales to related parties	Purchases from related parties	Balance at 30 September Amounts owed by related parties	Amounts owed to related parties
Trading companies related to the ultimate shareholder						
30 September 2011	71,629	663	185,683	13,259	6,891	-
30 September 2010	25,670	2,119	172,855	2,612	174	-
Finance companies related to the ultimate shareholder						
30 September 2011	-	-	-	-	-	-
30 September 2010	-	-	-	-	-	1,210,118
Other companies related to the ultimate shareholder						
30 September 2011	-	1,580	-	4,293	-	-
30 September 2010	-	1,275	-	3,373	-	2,670

Finance companies related to the ultimate shareholder

In November 2010, the terms of the Company's loan agreements with finance companies owned by the ultimate shareholder, were amended upon agreement by both parties. As a result of these amendments, the loans are now classified as equity under IFRS. As at 30 September 2011, the balance recognised in equity was $966.2 million.

Banks related to the ultimate shareholder

The Group holds bank accounts with Privat Bank, which the ultimate shareholder has a minority interest in. As at 30 September 2011, $65.6 million was held in current accounts with the bank (31 December 2010: $2.6 million).

13. Events occurring after the reporting period

In October 2011, the Consmin Board resolved to approve the purchase of an owner operator mining fleet (excavators and trucks) at the Company's Woodie Woodie operations to replace the current mining contractor, whose five year contract expires on 31 December 2012. The new equipment is scheduled for delivery in the second half of 2012, with transition to fully controlled and managed mining from this time. This transition is expected to improve operating efficiencies and reduce unit production costs from the beginning of 2013. As at 30 September 2011, the Company had commitments to purchase AUD$44 million of capital equipment.

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 deoxidation and desulphurization. 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.