Consolidated Minerals Limited Financial Results for the three months to 31 March 2016

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Consolidated Minerals Limited (‘Consmin’ or the ‘Company’)

Report for the First Quarter ending 31 March 2016

27th May 2016

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

Consmin, a leading manganese ore producer with mining operations in Australia and Ghana, announces its quarterly results for the period ended 31 March 2016.

Market and Business Update

- On the 2nd February 2016 the Company suspended operations at Woodie Woodie and commenced a transition into care and maintenance. The Company’s lower cost Nsuta operation in Ghana continues to produce manganese ore for sale on the seaborne market.
- Although the Company ended 2015 with net cash and cash equivalents of $76 million, the continued weakness and uncertain outlook on pricing for manganese ore, as well as the costs associated with placing the Woodie Woodie mine into care and maintenance have put further pressure on liquidity, with the Company’s net cash and cash equivalents having reduced to US$39 million at 31 March 2016.
- As a result of the current trading environment and the level and speed of depletion of the Group’s cash balances the Company announced on 8 March 2016 that it anticipated discussions with holders of the 8.000% Senior Secured Notes due May 15, 2020 regarding these Notes.
- On 13 May 2016 the Company announced the formation of and its engagement in further constructive dialogue with the noteholder committee in light of the current difficult trading environment. The Company further announced that it had elected to utilise the 30 day coupon grace period to further discussions with committee and as a result would not pay the coupon payment due on 15 May 2016 in respect of the Notes. This interest deferral process is not expected to impact the Group's operations, employees, partners, suppliers or trade creditors.

Key highlights

- Total tonnes of manganese ore production for Q1 2016 decreased 45% compared to Q1 2015. Australian manganese ore production decreased 81% and Ghanaian manganese ore production increased 2% compared to Q1 2015. The reduction in Australian manganese ore production is a direct result of the Australian operations being placed into care and maintenance on 2nd February 2016.
- Manganese C1 cash cost[1] for Q1 2016 was $1.74/dmtu compared to $1.97/dmtu in Q1 2015, a decrease of 12%. The C1 cash cost for Q1 2016 includes costs relating to production in the Australian operations up to 2nd February 2016 when the mine was placed into care and maintenance.
- Total manganese sales tonnes decreased 15% in Q1 2016 compared to Q1 2015. Australian manganese tonnes sold decreased 80% but Ghanaian manganese tonnes sold increased 97%.
- Average manganese FOB sales price achieved decreased 60% from $3.59 in Q1 2015 to $1.44 in Q1 2016.
- The quarterly average price for manganese lump (CRU, 44%Mn CIF China) in Q1 2016 was $2.07/dmtu, a decrease of 46% year on year from $3.83/dmtu in Q1 2015 and down 17% from $2.48/dmtu in the previous quarter (Q4 2015).
- Adjusted EBITDA[2] for Q1 2016 was a $9 million loss, a reduction of $33 million from $24 million profit in Q1 2015. This decrease is principally due to lower revenues as a result of lower pricing and reduced volumes sold. Cash EBITDA for Q1 2016 was a loss of $11 million, down from $16 million profit in Q1 2015.
- The Group recorded a loss for the period of $33 million compared to a loss of $4 million in Q1 2015. Included within the loss in Q1 2016 was an amount of $11 million in respect of restructuring costs incurred in Australia following the decision to place the mine on care and maintenance.
- During the quarter the group had an operating cash outflow of $34 million compared to an inflow of $30 million in Q1 2015.

- Cash and cash equivalents net of overdrafts decreased in Q1 2016 by $37 million to $39 million on 31 March 2016.
- Total capital expenditure for the group in Q1 2016 was only $1 million, 80% lower than in Q1 2015 in order to maintain liquidity in light of the current difficult market conditions for manganese ore.

Key Performance Indicators

Unaudited	Quarter ended 31 March 2016	Quarter ended 31 March 2015	% change
Manganese ore produced (dry kt)	389.7	713.8	(45.4%)
Manganese ore sales (dry kt)	490.2	575.0	(14.7%)
Average C1 manganese unit cash cost ($/dmtu)[1]	1.74	1.97	(11.7%)
Average manganese FOB Sales price ($/dmtu)	1.44	3.59	(59.9%)
Revenue ($ million)	21.4	81.8	(73.8%)
Adjusted EBITDA ($ million)[2]	(8.9)	24.1	(136.9%)
'Cash' EBITDA ($ million)[2]	(11.2)	16.2	(169.1%)
(Loss) / profit for the period from continuing operations	(33.2)	(3.5)	848.6%
	At 31 March 2016	**At 31 December 2015**	**% change**
Cash and cash equivalents ($ million)	40.7	79.1	(48.5%)
Gross debt ($ million)	(387.6)	(390.3)	(0.7%)
Gross debt excluding high yield bonds ($ million)	(13.8)	(17.2)	(19.8%)
Net debt ($ million)	(347.0)	(311.2)	11.5%

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

[2] "Adjusted EBITDA" is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net foreign exchange gain/loss and exceptional items[3]. 'Cash' EBITDA is defined as Adjusted EBITDA after removing the impact of the non-cash items of deferred stripping and net movement in inventories. Adjusted EBITDA and Cash EBITDA are the key profitability measures used across the business and reflect performance in a consistent manner and in line with how the business is managed and measured on a day to day basis. Adjusted EBITDA and Cash EBITDA are not uniformly or legally defined measures and are not recognised under IFRS or any other generally accepted accounting principles. Other companies in the mining industry may calculate these measures differently and consequently, our presentation of Adjusted EBITDA and Cash EBITDA items may not be readily comparable to other companies' figures.

[3] Exceptional items are material or non-recurring items excluded from management's assessment of profits because by their nature they could distort the Group's underlying quality of earnings. These are excluded to reflect performance in a consistent manner and in line with how the business is managed and measured on a day to day basis.

Commenting on the results, David Slater (CFO of Consmin) said:

"During the quarter Consmin's operational performance was adversely impacted by a 45% reduction in Group production compared to the corresponding period in 2015.This was driven by an 81% reduction in Australian ore production as a result of the Company's decision to suspend operations at the Woodie Woodie mine with effect from 2nd February 2016 and commence the transition into care and maintenance.

The manganese C1 unit cash cost for the quarter was $1.74/dmtu, an improvement of 12% from $1.97/dmtu for Q1 2015, which was largely driven by the Group C1 cash unit cost only including Australian C1 cash unit costs for the period up to 2nd February 2016.

The company's manganese ore shipments totalled 490k dry tonnes during Q1 2016, a decrease of 15% compared to Q1 2015. Shipments of Australian manganese ore in Q1 2016 were only 72k dry tonnes, a decrease of 80% compared to Q1 2015 due to the company's decision to suspend operations at the Woodie Woodie mine at the beginning of February 2016 and due to the poor pricing levels seen during the first quarter. Sales tonnes from Ghana were however 97% higher than in Q1 2015, which had been negatively impacted following the termination of the TMI contract in the second half of 2014.

The quarterly average price for manganese lump (CRU, 44%Mn CIF China) in Q1 2016 was $2.07/dmtu, a decrease of 46% from $3.83/dmtu in Q1 2015 and also down 17% from $2.48/dmtu in Q4 2015. By the end of April, manganese prices had more than doubled compared to February 2016 prices as supply curtailments and reduced imports led to a very substantial drawdown of China's port stocks. This along with a moderate improvement in steel prices gave traders and suppliers the ability to push up prices aggressively due to a shortage of immediately available ore in China. The company has taken this opportunity to contract its stockpiled Australian manganese ore for Q2 shipments at substantially increased prices from that seen during Q1 2016.

Despite the recent improvement in manganese ore prices the pricing outlook remains unclear due to the uncertainty over whether the recent improved steel performance will continue, and whether major seaborne ore suppliers continue to show supply discipline. The company continues to believe that prices seen in January and February 2016 were too low to be sustainable, however, the Company remains cautious about the current strength in ore prices which may entice marginal suppliers to re-enter the market, exerting downward pressure on prices.

Although the Company ended 2015 with net cash and cash equivalents of $76 million, the weakness of pricing for manganese ore in the first quarter, as well as the costs associated with placing the Woodie Woodie mine into care and maintenance have put further pressure on liquidity, with the Company's net cash and cash equivalents having reduced to US$39 million at 31 March 2016.

As a result of the level and speed of depletion of the Group's cash balances during Q1 2016 the Company announced on 8 March 2016 that it anticipated discussions with holders of the 8.000% Senior Secured Notes due May 15, 2020 regarding these Notes. Discussions with the noteholders representatives commenced in April 2016 and are continuing with a view to implement a solution to improve the Company's liquidity."

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: Pilbara Manganese Pty Limited (Australia), Ghana Manganese Company Limited (Ghana), Manganese Trading Limited (Jersey) and Pilbara Trading Limited (Jersey).

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

Company Information

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Mark Camaj, General Manager, Marketing
Jurgen Eijgendaal, Managing Director, Ghana
Paul Muller, Managing Director, Australia
David Slater, Executive Director and CFO

Conference Call

There will be a conference call for analysts and bondholders, the details of which will be released on the Company website www.consmin.com.

Market, Economic and Industry Data

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 process its mineral reserves successfully and on a timely basis. Consmin is also exposed to the risk of trespass, theft and vandalism, changes in its business strategy, as well as risks and hazards associated with the business of mineral exploration, development, mining and production. Accordingly, investors should not place reliance on forward looking statements contained in this report.

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

Marketing Review

Global steel production in Q1 2016 fell by 3.4% year on year to 391 million tonnes but was flat compared to Q4 2015. China accounted for 49% of global production in Q1, with its production declining by 3.4% year on year to 193 million tonnes during the quarter and by 17% from the previous quarter (Q4 2015). As a result of declining steel production in China, imports of manganese ore fell 22% year on year to 3.0 million tonnes in the quarter (12 million tonnes annualised), and were down by 25% from imports during the previous quarter (Q4 2015).

Consmin's marketing team continue its efforts to differentiate its products to specific market segments. Consequently, the price Consmin achieves is consistently higher than on a manganese content basis alone.

The company's manganese ore shipments totalled 490k dry tonnes during Q1 2016, a decrease of 15% year on year compared to 575k dry tonnes shipped in Q1 2015. Our shipments of Australian manganese were only 72k dry tonnes in Q1, a decrease of 80% year on year due to the company's decision to put the Woodie Woodie mine on care and maintenance at the beginning of February 2016. Sales from Ghana rose 97% to 418k dry tonnes compared to 212k dry tonnes in Q1 2015 as a result of consistent sales throughout the quarter.

The quarterly average price for manganese lump (CRU, 44%Mn CIF China) in Q1 2016 was $2.07/dmtu, a decrease of 46% year on year from $3.83/dmtu in Q1 2015 and down 17% from $2.48/dmtu in the previous quarter (Q4 2015). By the end of April manganese prices more than doubled compared to February 2016 as supply curtailments and reduced imports led to a very substantial drawdown of China's port stocks. A moderate improvement in steel prices gave traders and subsequently seaborne suppliers the ability to push up prices aggressively due to a shortage of immediately available ore in China. With the Woodie Woodie mine in care and maintenance the company decided the opportunity was right to sell stockpiled Australian ore, leading to a substantial increase in the company's realised price in May.

The recent improvement in manganese ore prices is driven by an improved steel market in China and significantly reduced supply of seaborne manganese ore. However, the outlook remains uncertain due to two major factors: 1) it remains unclear whether improved steel performance will hold up for remainder of the year, and 2) whether major seaborne ore suppliers continue to show supply discipline. As stated previously, the company believes that prices seen in January and February 2016 were too low to be sustainable, leading to the supply curtailments and the long awaited rebound in ore prices. However, the Company remains cautious about the current strength in ore prices. Besides the factors mentioned above, current prices should also entice marginal suppliers, particularly high cost domestic Chinese mines, to re-enter the market, which should add downward pressure on prices.

Operational Review

Summary Overview (Unaudited)	Quarter ended 31 March 2016	31 March 2015	% change
Total mined (mBCM)	1.9	3.0	(36.7%)
Manganese ore produced (dry kt)	389.7	713.8	(45.4%)
Australia	*75.3*	*403.9*	*(81.4%)*
Ghana	*314.4*	*309.9*	*1.5%*
Manganese ore produced (mdmtu)	11.9	27.6	(56.9%)
Australia	*3.0*	*18.6*	*(83.9%)*
Ghana	*8.9*	*9.0*	*(1.1%)*
Manganese ore sales (dry kt)	490.2	575.0	(14.7%)
Australia	*72.4*	*363.3*	*(80.1%)*
Ghana	*417.8*	*211.7*	*97.4%*
Manganese ore sales (mdmtu)	14.9	22.8	(34.6%)
Australia	*3.3*	*16.9*	*(80.5%)*
Ghana	*11.6*	*5.9*	*96.6%*
Total capex – including exploration ($ million)	1.4	4.9	(71.4%)
Average unit cash cost ($/dmtu)	1.74	1.97	(11.7%)

Australia: Woodie Woodie

Care and maintenance
Despite relentless cost-cutting and marketing efforts to remain competitive, the Company announced on the 22nd January 2016 that as a direct result of the current record low price for manganese ore, the Board had taken the difficult decision to suspend operations at Woodie Woodie and place the mine into care and maintenance. Mining and processing operations ceased on the 2nd February 2016 and the mine was transitioned safely and efficiently into care and maintenance during February and March.

Production
As a result of the mine being placed on care and maintenance, total mining volumes for the quarter were 0.9 million bcm, down 61% from the corresponding period in 2015, with production volumes at 75kt, down 81% on the corresponding period.

Capital expenditure
Costs recorded as capital expenditure during Q1 2016 reflect the cash payment for projects completed during Q4 2015 prior to the decision to place the mine into care and maintenance. No capital projects were conducted in Q1 2016.

Exploration
A modest 4km drilling program has been planned for 2016 and is scheduled to commence in April 2016. No drilling or other ground activities took place in Q1 2016.

Ghana: Ghana Manganese Company Limited ('GMC')

Safety
The GMC mine witnessed an excellent safety record at Nsuta, with no major reportable incidents or accidents during Q1 2016.

Production
Production at GMC totalled 314 thousand tonnes of manganese ore (8.9 million dmtu) during the first quarter of 2016, representing a 1.5% increase in tonnes and a 1.1% decrease in dmtu compared to the same quarter in 2015. In Q1 2016 GMC sold 418 thousand tonnes of manganese ore (11.6 million dmtu) representing a 97% increase compared to the first quarter of 2015.

Capital Expenditure
A total of $0.4 million was spent on capital expenditure projects during the first quarter of 2016, all of which was spent on critical spares and components for the mobile and fixed equipment. This is substantially lower than the $2.2 million capital expenditure spent during the first quarter of 2015.

Exploration
During the first quarter of 2016 infill drilling focused on the continued resource development of our main Pit C.

Projects

***Port Development Project*:**
The Ghana Ports and Harbours Authority (GPHA) is actively pursuing the port development project at Takoradi. GPHA has meanwhile secured additional funding to finance the outstanding phases of the Master Plan project of upgrading the port of Takoradi. Additional dredging and berth construction operations have commenced and the new berth shall now be extended to 700 metres in length (was 250 metres) and a salt water draught of 16 metres (was 14 metres). These revised targets will require additional time and the expected date of completion is now January 2019 (was January 2018). The GPHA is considering outsourcing the future Takoradi bulk commodity loading and discharging activities to a professional third party operator.

***Pit C-North Development*:**
The Company has started the re-counting exercise, in line with the regulators' recommendation to calculate the economics of the project assuming a 500 meters boundary resettlement obligation. A Resettlement Committee has been constituted as required by law and negotiations are on-going for obtaining the identified land for this project.

Other

Mindy Mindy
Consmin has a significant interest in the Mindy Mindy iron ore tenements through its 50% shareholding in Pilbara Iron Ore Pty Ltd ('PIO'). PIO's claim that it has earned an 80% ownership interest in one of the tenements is subject to court determination. A decision adverse to PIO was handed down in the Warden's Court on 16 September 2014. PIO lodged an appeal in the Supreme Court of Western Australia against the Warden's decision. The hearing of that appeal concluded on 31 March 2016, with the Judge reserving his decision. A decision is expected to be handed down in late 2016.

OM Holdings Limited ('OM Holdings')
OM Holdings is, primarily, a vertically integrated manganese mining, processing and marketing company listed on the ASX (ticker: OMH). At 31 March 2016, the Company's holding in OM Holdings remained at 8.0%, consistent with 31 December 2015. During the quarter the market value of the Company's holding in OM Holdings decreased by $2.4 million to $1.9 million as at 31 March 2016.

People

The operational management decisions of the Group are made by the Group Executive Committee ('GEC'). The GEC members are Mark Camaj (General Manager: Marketing), Jurgen Eijgendaal (Managing Director: Ghana), Paul Muller (Managing Director: Australia) and David Slater (Executive Director and Chief Financial Officer). Oleg Sheyko (CEO of Metals Solutions Limited) resigned from the GEC on 6th April 2016.

Financial Review

Unaudited Condensed Consolidated Statement of Comprehensive Income

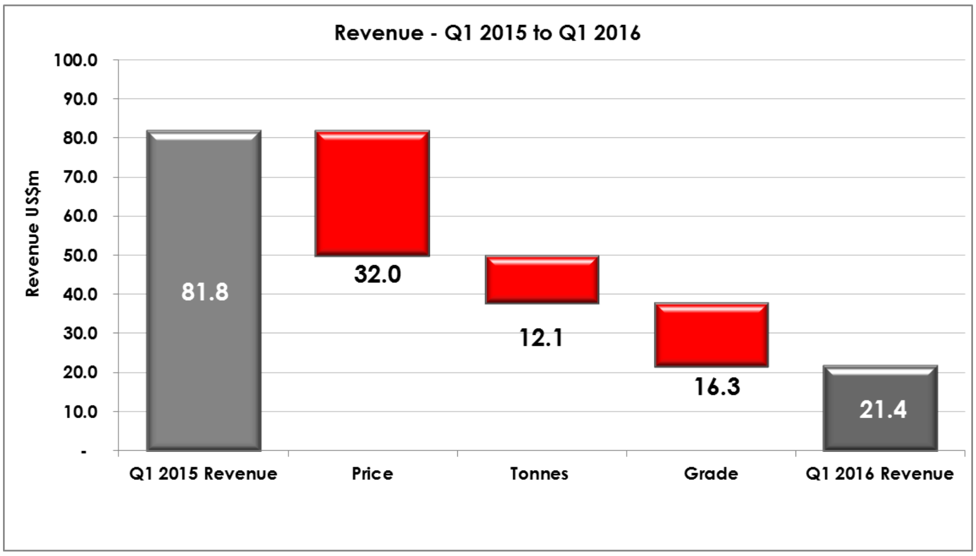
$m	Quarter ended 31 March 2016	31 March 2015
Revenue	21.4	81.8
Cost of sales	(29.4)	(47.3)
Gross (loss) / profit	**(8.0)**	**34.5**
Selling and distribution costs	(5.6)	(18.5)
General and administrative costs	(9.1)	(9.2)
Other operating income - net	0.4	0.2
Impairment expense	(2.4)	-
Net foreign exchange gain / (loss)	0.6	(1.8)
Operating (loss) / profit	**(24.1)**	**5.2**
Presented as:		
Adjusted EBITDA	**(8.9)**	**24.1**
Depreciation and amortisation	(2.9)	(17.1)
Impairment expense	(2.4)	-
Restructuring costs	(10.5)	-
Net foreign exchange gain / (loss)	0.6	(1.8)
Operating (loss) / profit	**(24.1)**	**5.2**
Net financing costs	(8.8)	(9.0)
Loss before tax	**(32.9)**	**(3.8)**
Income tax (charge) / credit	(0.3)	0.3
Loss for the period	**(33.2)**	**(3.5)**

Revenue

The consolidated revenue for the Group decreased by 74% from $82 million in Q1 2015 to $21 million in Q1 2016 as a result of the combination of lower volumes sold, lower pricing and lower grades sold. Manganese volumes sold (in tonnes) decreased by 15% in Q1 2016, however due to a much lower average grade sold compared to Q1 2015 the volumes sold in dmtus fell by 35% due to an 80% reduction in sales of the higher grade Australian ore following the decision to place the operations into care and maintenance on 2nd February 2016. Sales tonnes from Ghana were 97% higher than in Q1 2015 which had been negatively impacted by the termination of the TMI contract in the second half of 2014.

The average price of our manganese ore sold decreased by 60% from $3.59/dmtu FOB in Q1 2015 to $1.44/dmtu FOB in Q1 2016 due to a combination of the decrease in ratio of Australian ore sold compared to Ghana ore and the reduction in the benchmark price over the same period.

The graph below summarises the decrease in revenue compared to Q1 2015:



Cost of Sales

The cost of sales for the Group decreased by 38% from $47 million in Q1 2015 to $29 million in Q1 2016. An analysis of the cost of sales is as follows:

$m	31 March 2016	Quarter ended 31 March 2015	Movement
Mining and production expenses	27.1	31.5	(14.0%)
Depreciation and amortisation	2.9	17.0	(82.9%)
Royalties and other taxes	1.7	6.6	(74.2%)
Deferred stripping	(0.4)	(7.9)	(94.9%)
Net movement in inventories	(1.9)	-	-
Other	-	0.1	(100.0%)
Total cost of sales	**29.4**	**47.3**	**(37.8%)**

The principal factors driving this $18 million reduction are as follows:

- A $4 million benefit from reduced mining and production costs reflecting cost savings following the decision to place the Australian operations into care and maintenance with effect from 2 February 2016 substantially offset by one off restructuring costs of $11 million in the quarter;
- A $14 million decrease in depreciation and amortisation as a result of the reduced carrying value of Australian assets compared to Q1 2015 following the FY 2015 impairment and reduced production in Australia;
- A $5 million decrease in royalties as a result of lower revenues in the quarter;
- A $2 million credit in relation to net overall movement in inventories

  offset by:

- An $8 million increased cost in relation to deferred stripping as a result of no capitalisation of deferred stripping costs for the Australian operations in 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 ship loading, divided by the total manganese dmtu produced. The average C1 unit cost of manganese production, on a "fully expensed" mining cost basis, was $1.74 for Q1 2016, a decrease of 12% from $1.97/dmtu for Q1 2015. The C1 cash cost for Q1 2016 includes costs relating to production in the Australian operations up to 2nd February 2016 when the mine was placed into care and maintenance.

Gross Loss / Profit

Gross loss for the Group was $8 million in Q1 2016, a decrease of 123% from $35 million gross profit in Q1 2015. The gross margin in Q1 2016 was minus 37% compared to a 42% gross profit margin in Q1 2015. The reduction in both gross profit and gross profit margin has been driven by lower manganese ore prices and lower sales volumes partially offset by reduced mining costs.

Adjusted EBITDA and Cash EBITDA

Adjusted EBITDA and Cash EBITDA are calculated as follows:

$m	Quarter ended 31 March 2016	31 March 2015
Operating (loss) / profit	**(24.1)**	**5.2**
Depreciation and amortisation	2.9	17.1
Impairment of available for sale financial assets	2.4	-
Restructuring costs	10.5	-
Net foreign exchange (gain) / loss	(0.6)	1.8
Adjusted EBITDA	**(8.9)**	**24.1**
Deferred stripping	(0.4)	(7.9)
Net movement in inventories	(1.9)	-
'Cash' EBITDA	**(11.2)**	**16.2**

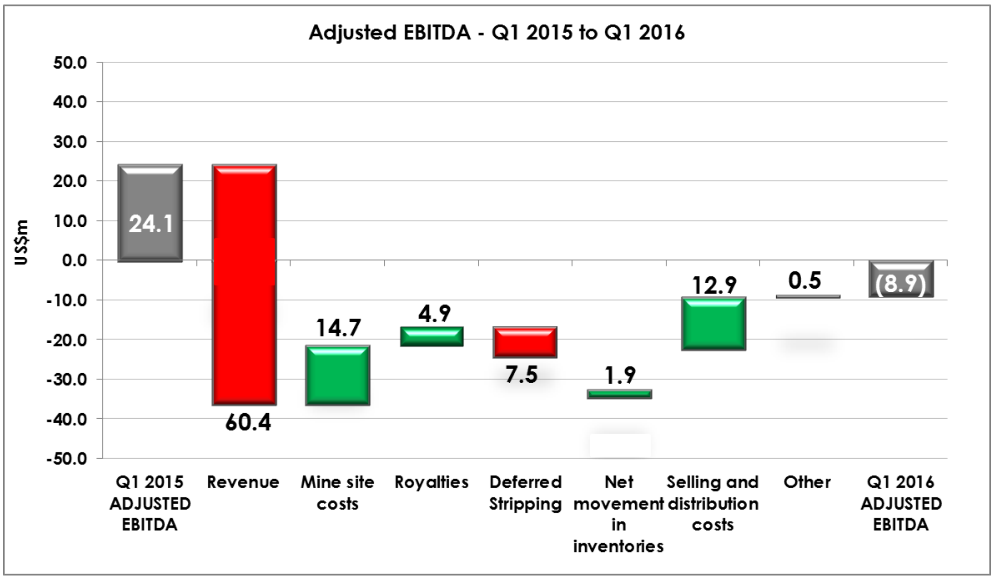
Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment expense, net foreign exchange gain or loss and exceptional items. Cash EBITDA is defined as Adjusted EBITDA after removing the impact of the non-cash items of deferred stripping and net movement in inventories. Adjusted EBITDA and Cash EBITDA are the key profitability measures used across the whole business and reflect the performance in a consistent manner and in line with how the business is managed and measured on a day to day basis.

As the graph below shows Adjusted EBITDA for Q1 2016 was a loss of $9 million, a decrease of $33 million from a profit of $24 million in Q1 2015, as a result of the following key movements:

- A decrease in revenues of $60 million due to lower pricing and volumes sold;
- An $8 million reduction in the deferred stripping credit to the income statement

offset by:

- A reduction in mining and production expenses (excluding restructuring costs) of $15 million due to savings relating to the Australian operations being placed into care and maintenance;
- A $13 million reduction in selling and distribution costs;
- A reduction in royalties of $5 million due to lower revenues;
- A $2 million net positive movement in inventories;



Cash EBITDA has decreased by $27 million from $16 million profit in Q1 2015 to a loss of $11 million in Q1 2016 due to the reasons outlined for adjusted EBITDA above net of the reduction in deferred stripping credit which was $8 million lower compared to Q1 2015 and net of the positive net movement in inventories of $2 million.

Other Key Items

Selling and distribution expenses decreased by $13 million from $19 million in Q1 2015 to $6 million in Q1 2016. This is a result of the 80% reduction in volumes shipped from Australia in the quarter compared to Q1 2015, partially offset by increased volumes shipped from Ghana. General and administrative expenses for Q1 2016 were on par with Q1 2015.

For the quarter ended 31 March 2016 the Group recorded a $2 million impairment charge relating to the revaluation of Group's investment in OM Holdings Limited. There was no impairment charge recognised in Q1 2015 as revaluation gains and losses were previously allocated to reserves.

The Group is subject to taxation in the jurisdictions in which it operates; primarily Australia and Ghana. The parent company is domiciled in Jersey and is subject to a corporate tax rate of 0%. The Group recognised an income tax charge of $0.3 million in Q1 2016 compared to an income tax credit of $0.3 million in Q1 2015.

Net financing costs for the quarter are $9 million which is consistent with Q1 2015.

Loss / profit for the Period

The Group has recognised a loss for Q1 2016 of $33 million compared to a profit of $4 million in Q1 2015.

Unaudited Condensed Consolidated Statement of Financial Position

	As at	
$m	**31 March 2016**	**31 December 2015**
Cash and cash equivalents	40.7	79.1
Other current assets	69.2	67.7
Non-current assets	209.0	211.4
Total assets	318.9	358.2
Current borrowings	(7.7)	(10.1)
Non-current borrowings	(379.9)	(380.2)
Other current liabilities	(31.0)	(34.4)
Other non-current liabilities	(90.7)	(90.6)
Total liabilities	(509.3)	(515.3)
Net (liabilities) / assets	(190.4)	(157.1)

Cash and Cash Equivalents

Cash and cash equivalents at 31 March 2016 were $41 million, a decrease of $38 million from $79 million at 31 December 2015. This is due negative cash flows from operations as a result of reduced sales volumes and revenue following the placing of the Australian operations into care and maintenance during the quarter as well as related restructuring costs.

Borrowings

Current borrowings have decreased to $8 million at 31 March 2016 from $10 million at 31 December 2015 as a result of the partial repayment of the Ghanaian overdraft facility in the quarter.

Guarantor Group

During the three months ended 31 March 2016, the Guarantors of the senior secured notes represented 100% (31 March 2015: 100%) of our consolidated revenues and 140% (31 March 2015: 83.4%) of our consolidated negative EBITDA. As of 31 March 2016, the Guarantors represented 27.6% of our consolidated total assets (31 March 2015: 63.8%). As of 31 March 2016, the non-guarantor subsidiaries have $2 million of indebtedness outstanding (31 March 2015: $16 million). The unrestricted subsidiaries are not significant subsidiaries and therefore not material to the Group. As a result, separate financial details have not been disclosed.

Unaudited Condensed Consolidated Statement of Cash Flows

	Quarter ended	
$m	**31 March 2016**	**31 March 2015**
Cash (outflow) / inflow from operating activities	(33.2)	29.7
Cash outflow from investing activities	(1.3)	(4.6)
Cash outflow from financing activities	(1.8)	(1.9)
Net (decrease) / increase in cash and cash equivalents	**(36.3)**	**23.2**
Cash and cash equivalents at the beginning of the period	**75.9**	**59.5**
Exchange losses on cash and cash equivalents	(0.5)	(2.5)
Cash and cash equivalents at the end of the period	**39.1**	**80.2**

Cash Flows and Liquidity

Net cash outflow from operating activities amounted to $33 million in Q1 2016 compared to cash generated of $30 million in Q1 2015, a decrease of $63 million. This decrease in operating cash flow was a result of reduced revenue from the weaker pricing environment for manganese and reduced volumes sold from the Australian operations following the decision to place the mine into care and maintenance on 2nd February 2016 as well as the related restructuring costs, partially offset by reduced mining costs.

The net cash outflow from investing activities was $1 million in Q1 2016 compared to a cash outflow of $5 million in Q1 2015, a decrease of $4 million due to lower payments for capital expenditure in the current period.

The net cash outflow from financing activities was $2 million in Q1 2016 compared to a net cash outflow of $2 million in Q1 2015 and in both periods relates to repayment of hire purchase borrowings and interest paid on the overdraft facility.

As a result total cash and cash equivalents net of overdrafts decreased to $39 million at 31 March 2016 from $76 million at 31 December 2015.

Consolidated Minerals Limited

Unaudited Condensed Consolidated Financial Statements

For the Three Months Ended 31 March 2016

Unaudited consolidated statement of comprehensive income for three months ended 31 March 2016

		Three months ended 31 March	
$m	**Note**	**2016**	**2015**
Revenue	6	21.4	81.8
Cost of sales	7	(29.4)	(47.3)
Gross (loss) / profit		**(8.0)**	**34.5**
Selling and distribution costs		(5.6)	(18.5)
General and administrative costs		(9.1)	(9.2)
Other operating income – net		0.4	0.2
Impairment expense		(2.4)	-
Net foreign exchange gain / (loss)		0.6	(1.8)
Operating (loss) / profit		**(24.1)**	**5.2**
Presented as:			
Adjusted EBITDA		**(8.9)**	**24.1**
Depreciation and amortisation		(2.9)	(17.1)
Impairment of available-for-sale financial assets		(2.4)	-
Restructuring costs		(10.5)	-
Net foreign exchange gain / (loss)		0.6	(1.8)
Operating (loss) / profit		**(24.1)**	**5.2**
Finance income		0.1	0.1
Financing costs		(8.9)	(9.1)
Net financing costs		(8.8)	(9.0)
Loss before tax		**(32.9)**	**(3.8)**
Income tax (charge) / credit		(0.3)	0.3
Loss for the period		**(33.2)**	**(3.5)**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Revaluation of available-for-sale financial assets		0.2	(1.3)
Net foreign currency translation differences		(0.2)	(14.6)
Income tax charge on other comprehensive income		(0.1)	-
Other comprehensive expense for the period, net of tax		**(0.1)**	**(15.9)**
Total comprehensive expense for the period		**(33.3)**	**(19.4)**
Loss attributable to:			
Owners of the parent company		(33.3)	(3.5)
Non-controlling interest		0.1	-
Loss for the period		(33.2)	(3.5)
Total comprehensive expense attributable to:			
Owners of the parent company		(33.4)	(19.4)
Non-controlling interest		0.1	-
Total comprehensive expense for the period		**(33.3)**	**(19.4)**

The notes on pages 17 to 21 are an integral part of this unaudited Consolidated Interim Financial Information.

Unaudited consolidated statement of financial position

		As at	
$m	**Note**	**31 March 2016**	**31 December 2015**
Non-current assets			
Property, plant and equipment		168.2	168.8
Intangible assets		9.2	9.0
Goodwill		28.9	28.9
Available-for-sale financial assets		2.6	4.6
Trade and other receivable		0.1	0.1
		209.0	**211.4**
Current assets			
Inventories		46.0	47.7
Trade and other receivables		21.5	18.0
Income tax receivable		1.7	2.0
Cash and cash equivalents	8	40.7	79.1
		109.9	**146.8**
Current liabilities			
Borrowings	9	(7.7)	(10.1)
Trade and other payables		(29.2)	(29.6)
Provisions		(1.8)	(4.8)
		(38.7)	**(44.5)**
Net current assets		**71.2**	**102.3**
Non-current liabilities			
Borrowings	9	(379.9)	(380.2)
Trade and other payables		(1.1)	(1.0)
Provisions		(53.8)	(53.9)
Deferred tax liabilities		(35.8)	(35.7)
		(470.6)	**(470.8)**
Net liabilities		**(190.4)**	**(157.1)**
Attributable to the equity shareholders of the parent company			
Share capital		10.0	10.0
Share premium		194.7	194.7
Subordinated shareholder loans treated as equity		737.5	737.5
Reserves		(13.4)	(13.3)
Accumulated losses		(1,132.1)	(1,098.8)
Total equity attributable to equity holders of the parent company		**(203.3)**	**(169.9)**
Non-controlling interests		12.9	12.8
Total equity		**(190.4)**	**(157.1)**

The notes on pages 17 to 21 are an integral part of this unaudited Consolidated Interim Financial Information.

Unaudited consolidated statement of changes in equity

$m	Share capital	Share premium	Shareholder equity	Reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	Attributable to equity owners of the parent Company							
Balance at 1 January 2016	10.0	194.7	737.5	(13.3)	(1,098.8)	(169.9)	12.8	(157.1)
Loss for the period	-	-	-	-	(33.3)	(33.3)	0.1	(33.2)
Revaluation of available-for-sale financial assets	-	-	-	0.2	-	0.2	-	0.2
Foreign currency translation differences	-	-	-	(0.2)	-	(0.2)	-	(0.2)
Income tax on other comprehensive income	-	-	-	(0.1)	-	(0.1)	-	(0.1)
Balance at 31 March 2016	10.0	194.7	737.5	(13.4)	(1,132.1)	(203.3)	12.9	(190.4)

$m	Share capital	Share premium	Shareholder equity	Reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	Attributable to equity owners of the parent Company							
Balance at 1 January 2015	10.0	194.7	737.5	(49.9)	(780.5)	111.8	13.0	124.8
Loss for the period	-	-	-	-	(3.5)	(3.5)	-	(3.5)
Revaluation of available-for-sale financial assets	-	-	-	(1.3)	-	(1.3)	-	(1.3)
Foreign currency translation differences	-	-		(14.6)		(14.6)	-	(14.6)
Balance at 31 March 2015	10.0	194.7	737.5	(65.8)	(784.0)	92.4	13.0	105.4

The notes on pages 17 to 21 are an integral part of this unaudited Consolidated Interim Financial Information.

Unaudited condensed consolidated statement of cash flows for the three months ended 31 March 2016

		Three months ended 31 March	
$m	**Note**	**2016**	**2015**
Cash flow from operating activities			
Loss before tax		(32.9)	(3.8)
Adjustments to add / (deduct) non-cash items:			
Depreciation and amortisation		2.9	17.1
Impairment of available-for-sale financial assets		2.4	-
Deferred stripping		(0.4)	(7.9)
Loss on sale of property, plant and equipment		-	0.4
Net foreign exchange (gain) / loss		(0.6)	1.8
Net financing costs		8.8	9.0
Working capital adjustments:			
Decrease in inventories		2.6	2.3
(Increase) / decrease in receivables		(3.3)	12.7
Decrease in payables		(12.7)	(1.7)
Net movement in working capital		(13.4)	13.3
Income taxes paid		-	(0.2)
Net cash (outflow) / generated from operating activities		**(33.2)**	**29.7**
Cash flow from investing activities			
Payments for mineral exploration and evaluation expenditure		(0.3)	(1.7)
Purchase of property, plant and equipment		(1.1)	(3.2)
Proceeds from sale of property, plant and equipment		-	0.2
Interest received		0.1	0.1
Net cash outflow from investing activities		**(1.3)**	**(4.6)**
Cash flow from financing activities			
Interest paid		(0.2)	(0.4)
Repayment of hire purchase borrowings		(1.6)	(1.5)
Net cash outflow from financing activities		**(1.8)**	**(1.9)**
Net increase in cash and cash equivalents		**(36.3)**	**23.2**
Cash and cash equivalents at the beginning of the period	8	75.9	59.5
Exchange losses on cash and cash equivalents		(0.5)	(2.5)
Cash and cash equivalents at the end of the period	8	**39.1**	**80.2**

The notes on pages 17 to 21 are an integral part of this unaudited Consolidated Interim Financial Information.

Notes to the unaudited consolidated financial statements

1. General information

Consolidated Minerals Limited (formerly Palmary Enterprises Limited) ('the Company') was incorporated in Belize in 2004 and redomiciled to Jersey in 2008. The address of its registered office is Commercial House, 3 Commercial Street, St Helier, Jersey JE2 3RU.

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

2. Basis of preparation of interim report

This condensed consolidated interim financial information for the three months ended 31 March 2016 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 2015, which have been prepared in accordance with IFRS.

The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 December 2015 but comparative information is derived from those accounts. Statutory accounts for 2015 have been filed with the Jersey registrar of companies and the auditors have issued an unqualified audit opinion on these accounts.

(a) New and amended standards mandatory for the first time for the financial year beginning 1 January 2016 relevant to the Group

There are no new or amended accounting standards mandatory for the first time for the financial year beginning 1 January 2016, or new standards and revisions to existing standards that are not yet effective and have not been early adopted that are relevant to the Group other than those disclosed in the Company's statutory accounts for the year ended 31 December 2015.

(b) Comparatives

Comparatives have been prepared on the same basis as current period figures.

(c) Changes in accounting policies

There have been no material changes in accounting policies since the presentation of the annual report for the year ended 31 December 2015 and all accounting policies have been consistently applied in the preparation of these interim financial statements.

(d) Foreign currency translation

The following foreign exchange rate against the USD has been used in the preparation of the consolidated financial statements:

	31 March 2016	Average 3 months to 31 March 2016	31 December 2015	31 March 2015	Average 3 months to 31 March 2015
Australian dollar	0.7668	0.7500	0.7298	0.7689	0.7873

3. Critical accounting judgments and key sources of estimation uncertainty

There have been no material changes in critical accounting judgements since the presentation of the annual report for the year ended 31 December 2015.

4. Going Concern

As disclosed in the Company's statutory accounts for the year ended 31 December 2015, analysis of the cash flow forecast has identified the potential need, if pricing remains at levels seen in Q1 2016, to renegotiate existing funding arrangements or obtain additional funding in late 2016 in order for the Group to meet its on-going cash requirements. On 8th March 2016 the Group announced to the holders of its Notes (the "Noteholders") that it wished to discuss options with respect to its current payment obligations. In addition to discussions with the Noteholders, management is also considering other options which will further improve the liquidity position such as further operational savings in both Ghana and Australia.

5. Segment analysis

Management considers the business from a product perspective and has determined the operating segments based on the reports reviewed by the Group Executive Committee, who are the Chief Operating Decision Makers. The primary products of the Group are processed manganese ores. The "Other" segment consists of iron ore projects and administration and head office functions.

The segment information provided for the three month periods ended 31 March 2016 and 2015 is as follows:

31 March 2016

$m	**Manganese**	**Other**	**Total**
Revenue from external customers	21.4	-	21.4
Cost of goods sold	(29.4)	-	(29.4)
Gross loss	(8.0)	-	(8.0)
Adjusted EBITDA	(5.2)	(3.7)	(8.9)
Depreciation	(2.9)	-	(2.9)
Impairment of available-for-sale financial assets	-	(2.4)	(2.4)
Restructuring costs	(10.3)	(0.2)	(10.5)
Net foreign exchange gain	3.4	(2.8)	0.6
Finance income	-	0.1	0.1
Financing costs	(0.5)	(8.4)	(8.9)
Loss before tax	(15.5)	(17.4)	(32.9)
Income tax charge*			(0.3)
Loss for the period			(33.2)
Total assets	288.7	30.2	318.9
Total liabilities	(91.0)	(418.4)	(509.4)

31 March 2015

$m	**Manganese**	**Other**	**Total**
Revenue from external customers	81.8	-	81.8
Cost of goods sold	(47.3)	-	(47.3)
Gross profit	34.5	-	34.5
Adjusted EBITDA	26.7	(2.6)	24.1
Depreciation	(17.0)	(0.1)	(17.1)
Net foreign exchange gain	(1.2)	(0.6)	(1.8)
Finance income	-	0.1	0.1
Financing costs	(0.7)	(8.4)	(9.1)
(Loss) / profit before tax	7.8	(11.6)	(3.8)
Income tax credit*			0.3
Loss for the period			(3.5)

31 December 2015	**Manganese**	**Other**	**Total**
Total assets	307.9	50.3	358.2
Total liabilities	(133.7)	(381.6)	(515.3)

* Income tax is not allocated to segments as tax is managed on a group basis.

A reconciliation of adjusted EBITDA to loss before tax is provided as follows:

$m	Three months ended 31 March 2016	2015
Adjusted EBITDA	(8.9)	24.1
Depreciation	(2.9)	(17.1)
Impairment expense	(2.4)	-
Restructuring costs	(10.5)	-
Net foreign exchange gain / (loss)	0.6	(1.8)
Net financing costs	(8.8)	(9.0)
Loss before tax	(32.9)	(3.8)

Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net foreign exchange gain/loss and exceptional items.

The information provided to management with respect to total assets is measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment.

6. Revenue

Revenue from the sale of ore by geographic destination was as follows:

$m	Three months ended 31 March 2016	2015
China	14.4	49.9
Ukraine*	5.2	7.9
Australia	1.8	-
South Korea	-	10.4
Vietnam	-	5.1
India	-	4.0
Norway	-	2.6
Indonesia	-	1.8
Other	-	0.1
Total revenue by geographic destination	21.4	81.8

*Sales to related parties

7. Cost of sales

$m	Three months ended 31 March 2016	2015
Mining and production expenses	27.1	31.5
Depreciation and amortisation	2.9	17.0
Royalties and other taxes	1.7	6.6
Deferred stripping	(0.4)	(7.9)
Net movement in inventories	(1.9)	-
Other	-	0.1
Total cost of sales	29.4	47.3

8. Cash and cash equivalents

$m	As at 31 March 2016	As at 31 December 2015
Cash at bank and in hand	40.7	79.0
Short-term bank deposits	-	0.1
Cash and cash equivalents at the end of the year	40.7	79.1
Less: bank overdrafts (see note 9)	(1.6)	(3.2)
Net cash and cash equivalents per the cash flow statement	39.1	75.9

9. Borrowings

$m	As at 31 March 2016	As at 31 December 2015
Non-current		
Senior secured high yield notes	373.8	373.1
Finance lease liabilities – hire purchase loans	6.1	7.1
	379.9	380.2
Current		
Bank overdrafts	1.6	3.2
Finance lease liabilities – hire purchase loans	6.1	6.9
	7.7	10.1
Total borrowings	387.6	390.3

The senior secured notes are stated net of unamortised discount of $6.6 million and unamortised issue costs of $5.2 million. Unamortised discount and issue costs are charged to the statement of comprehensive income over the six year term of the notes.

Finance lease liabilities are secured by charges over each respective leased asset.

The carrying value of borrowings approximates their fair value.

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

$m	As at 31 March 2016	As at 31 December 2015
Repayable on demand	1.6	3.2
6 months or less	-	-
6 - 12 months	-	-
1 - 5 years	-	-
Over 5 years	-	-
	1.6	3.2
Borrowings not exposed to changes in interest rates	386.0	387.1
	387.6	390.3

10. Contingent liabilities and contingent assets

There has been no change in circumstances relating to contingent liabilities already disclosed in the 31 December 2015 financial information other than those mentioned below:

- Group entities have pledged $1.5m (31 December 2015: $1.4 million) relating to bank guarantees provided to lessors of business premises.

11. 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.

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year:

$m	Sales to related parties	Purchases from related parties	Finance income from related parties	Charges from related parties	Amounts owed by related parties	Amounts owed to related parties
Trading companies related to the ultimate shareholder						
3 months to 31 March 2016	5.2	-	-	-		
3 months to 31 March 2015	7.9	-	-	-		
At 31 March 2016					6.0	-
At 31 December 2015					-	-
Other companies related to the ultimate shareholder						
3 months to 31 March 2016	-	0.8	-	-		
3 months to 31 March 2015	-	0.8	-	-		
At 31 March 2016					0.2	-
At 31 December 2015					0.2	-

Trading companies related to the ultimate shareholder

During 2016 and 2015, Manganese Trading Limited (Jersey) and Pilbara Trading Limited (Jersey) traded with other trading companies related to the ultimate shareholder.

Ore sold to related parties is shipped to Ukraine. The sales prices for transactions with related parties have been determined by reference to the published indices or the sales prices of Australian and Ghanaian ore sold to China, adjusted for the freight differential for shipping to the country of the related party, the end use application for the ores and adjusted for manganese content.

Finance companies related to the ultimate shareholder

As at 31 March 2016, a related party loan balance of $737.5 million (31 December 2015: $737.5 million) was recognised in equity.

Banks related to the ultimate shareholder

The Group holds bank accounts with Privat Bank (Cyprus), which the ultimate shareholder has an interest in. As at 31 March 2016, less than $0.1 million was held in current accounts with the bank (31 December 2015: less than $0.1 million).

Other companies related to the ultimate shareholder

Transactions with other companies related to the ultimate shareholder primarily relate to the provision of goods and services with companies providing management services to the Company.

12. Events after the reporting period

On 13 May 2016 the Company announced the formation of and its engagement in further constructive dialogue with the noteholder committee in light of the current difficult trading environment. The Company further announced that it had elected to utilise the 30 day coupon grace period to further discussions with committee and as a result would not pay the coupon payment due on 15 May 2016 in respect of the Notes. This interest deferral process is not expected to impact the Group's operations, employees, partners, suppliers or trade creditors.

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.
"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 2006 (Ghana).
"CRU"	CRU International Limited, a company incorporated in England and Wales with company number 00940750. CRU is an independent business analysis and consultancy group, focused on the mining, metals, power, cables, fertilizer and chemical sectors.
"dmtu"	A "dry metric tonne unit," which corresponds to one 10 kilogram unit of manganese. By way of example, the price in \$ of a consignment of manganese ore is calculated by multiplying the U.S. dollar per dmtu price by the units of manganese of the ore in that shipment. For instance, if manganese ore with a manganese content of 48% is priced at \$5.00/dmtu, the price for three tonnes of such ore will be \$720, calculated as follows: 48% × 3,000kg = 1,440 kg of manganese 1,440kg ÷ 10kg = 144 dmtu of manganese 144 dmtu × \$5.00 per dmtu = \$720
"dry tonne" or "dt"	A tonne, being a metric unit of weight equivalent to 1,000 kilograms, measured excluding the weight of any water content.
"EMM"	Electrolytic manganese metal.
"Fe"	Chemical symbol for Iron, based on the periodic table
"ferroalloy"	A metal product, usually containing iron and other metals, that is commonly used as a raw material feed in steelmaking to add strength or to aid various stages of the steelmaking process such as deoxidisation and desulphurisation. Examples include ferrochrome, ferromanganese and ferrosilicon.
"fines" or "ore fines" or "fine ore"	Manganese ore with the majority of individual particles measuring less than a specified size. While there is no industry standard measurement, the Group's Australian and Ghanaian operations specify ores with particles measuring between 1 and 12.5 millimeters and less than 25 millimeters, respectively, as fines.
"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.
"Guarantor"	Each of Consolidated Minerals Trading Ltd, Consolidated Minerals Africa Limited, Consolidation Minerals (Australia) Pty Limited, Consolidated Minerals (Belgium) Limited SPRL, Consolidated Minerals Holdings (Australia) Pty Limited, Consolidated Minerals (Hong Kong) Limited, Consolidated Minerals Pty Limited, Manganese Trading Limited, Pilbara Manganese Pty Limited, Pilbara Trading Limited, Pilbara Trucking Pty Limited and Stratford Sun 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 (2012 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.
"mdmtu"	One million dry metric tonne units.
"Mn"	Chemical symbol for Manganese, based on the periodic table.
"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.
"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.
"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 1978 (Western Australia).
"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 1,250 square kilometers of land in and around the Woodie Woodie mine in the Pilbara region of Western Australia, excluding the Woodie Woodie corridor.