CONSOLIDATED MINERALS LIMITED

Developing and Delivering Western Australian Resources Globally

Winner 2002

Winner 2004

March 2006

Company Profile

- Mid-tier S&P ASX 200 diversified resource group (ASX, AIM, FSE)
- Focus: exploration, development, production and export of high-grade minerals to global markets
- Production base in growth commodities:
  - Carbon and stainless steel materials
  - Copper and Zinc
- Established global markets - manganese, chrome and nickel
- Developing copper/zinc and iron ore projects

Company Structure

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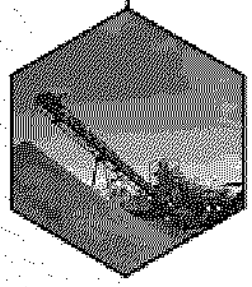
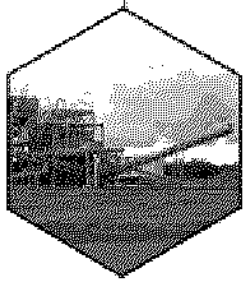
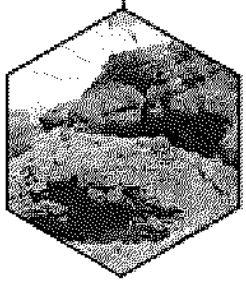
PILBARA MANGANESE PTY LTD



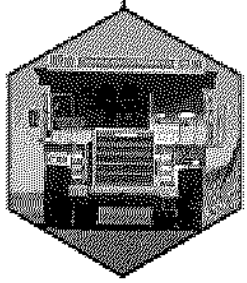
PILBARA CHROME PTY LTD



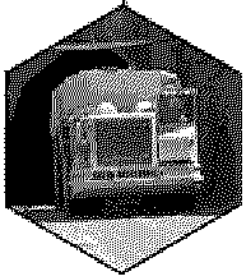
PILBARA IRON ORE PTY LTD



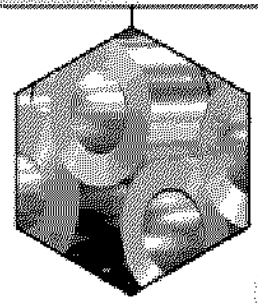
PILBARA CONTRACTING PTY LTD



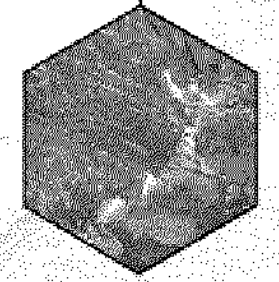
CONSOLIDATED NICKEL PTY LTD



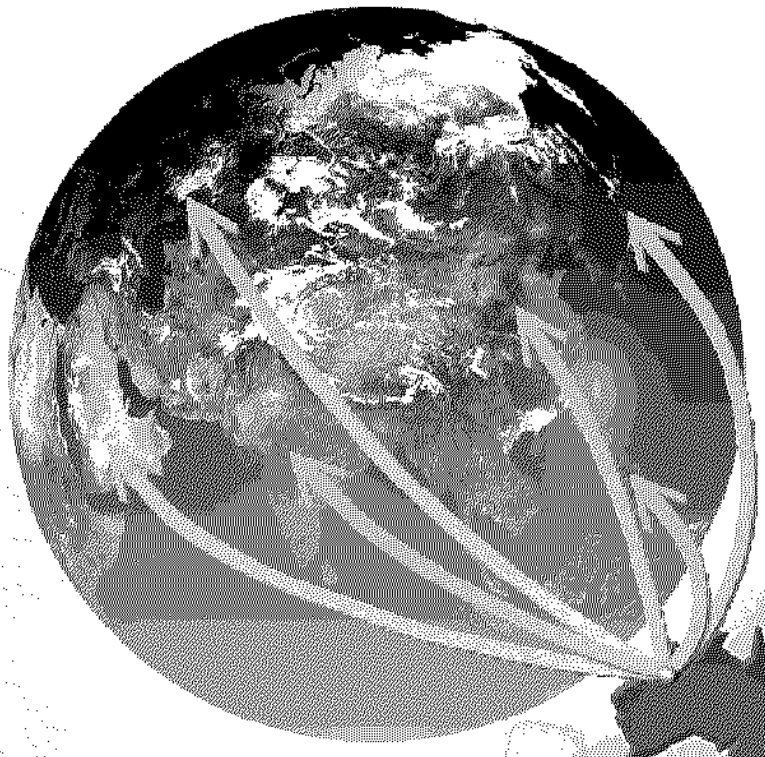
CONSOLIDATED ZINC RESOURCES PTY LTD



CONSOLIDATED COPPER PTY LTD



Global Markets

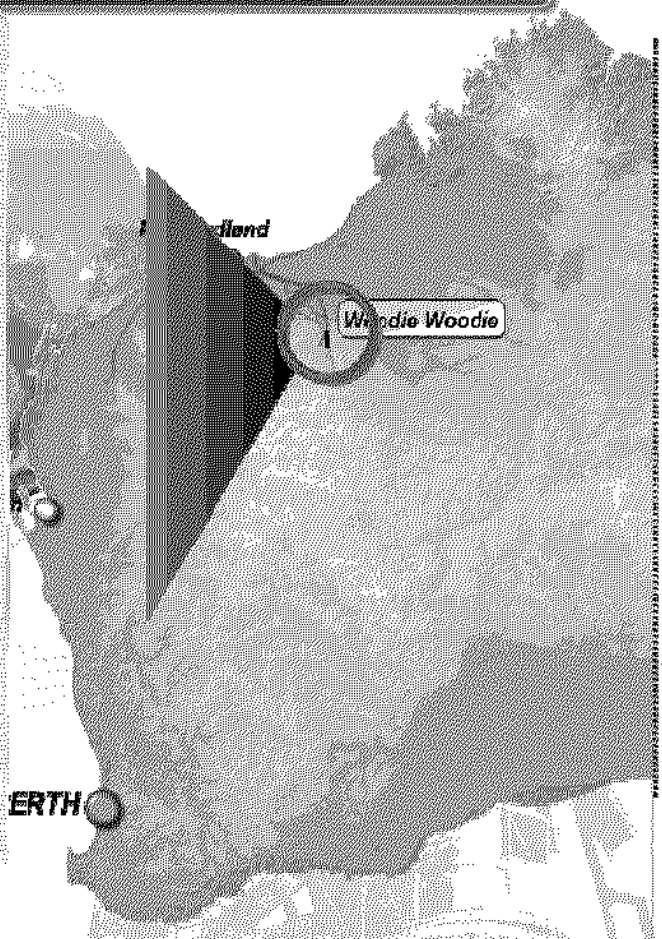


China – Outlook

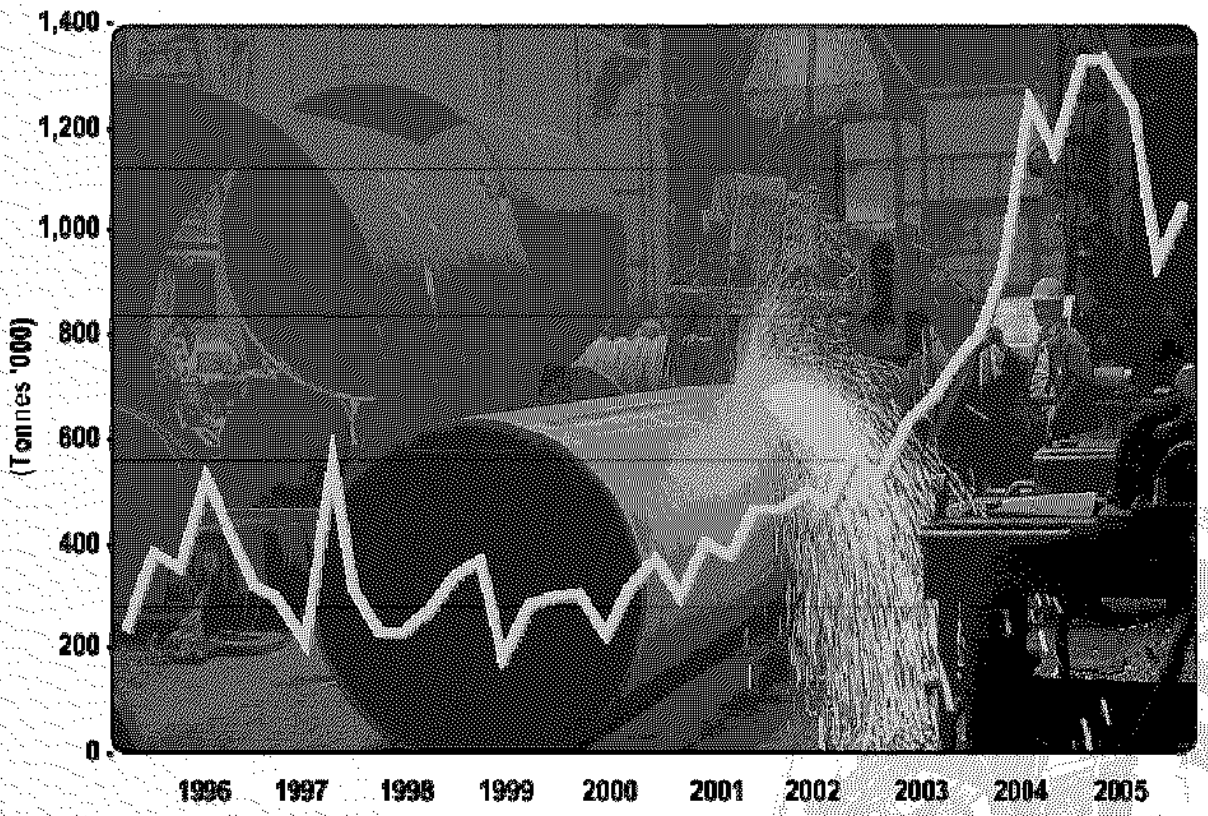
- To account for 30% of world metals demand by 2010
- Robust demand for carbon and stainless steel materials
- Demand growth zinc and copper
- Growing middle class affluence
- Continuing urbanisation
- Accounts for 50% of CSM's exports

Manganese Operations

- Capacity : 1mtpa 48% manganese ore
- Characteristics: High grade manganese – low phosphorous and iron
- Markets: 10% global supply
- Revenue: A$200 million per annum
- Resource: 15m tonnes
- Mine Life: 15 years



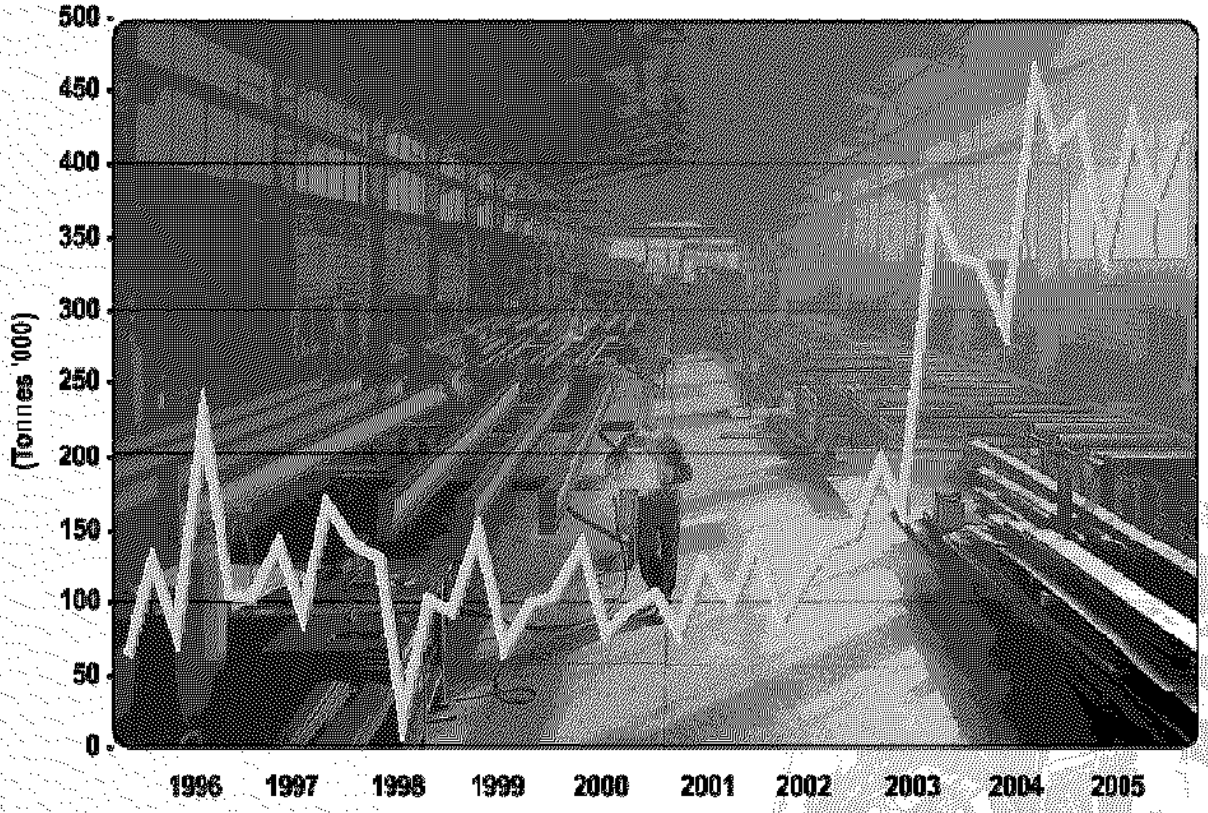
Chinese Mn ore imports 1995 - 2005



Consolidated Minerals Limited

Source: GTIS

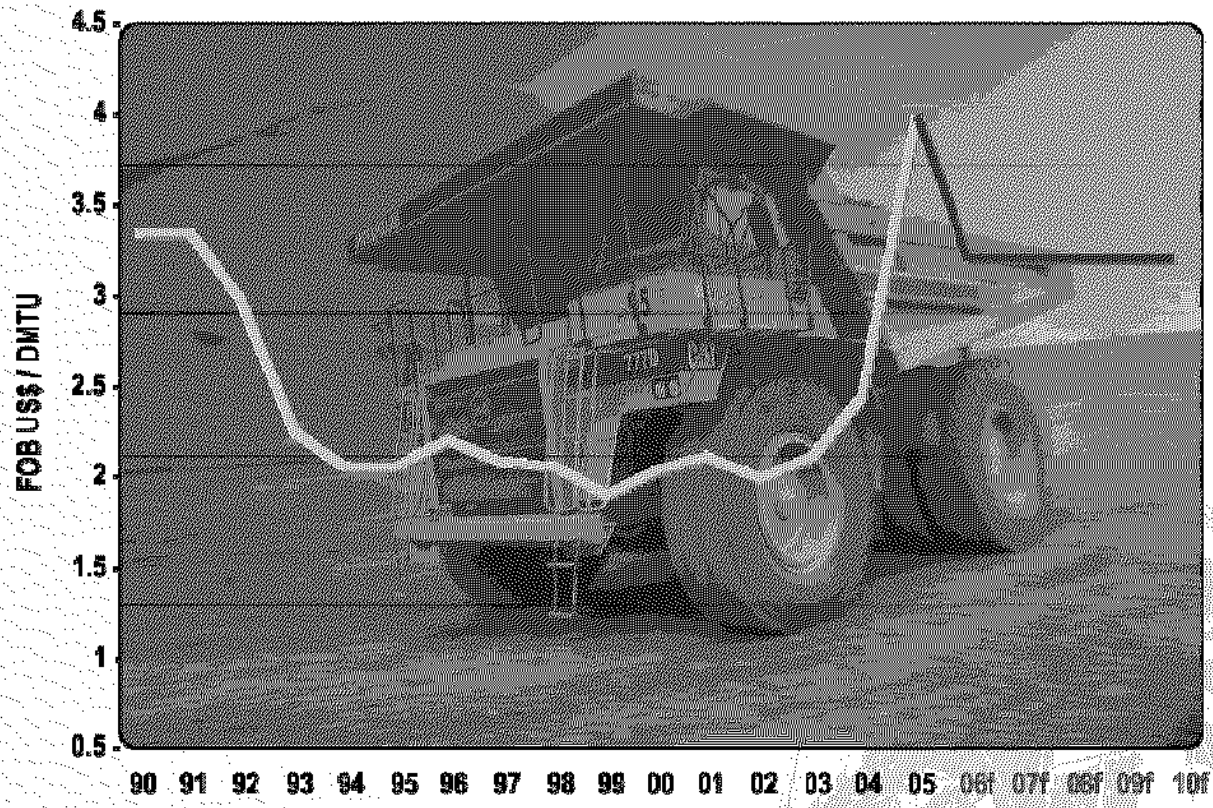
Chinese Mn ore imports from Australia



Consolidated Minerals Limited

Source: GTIS

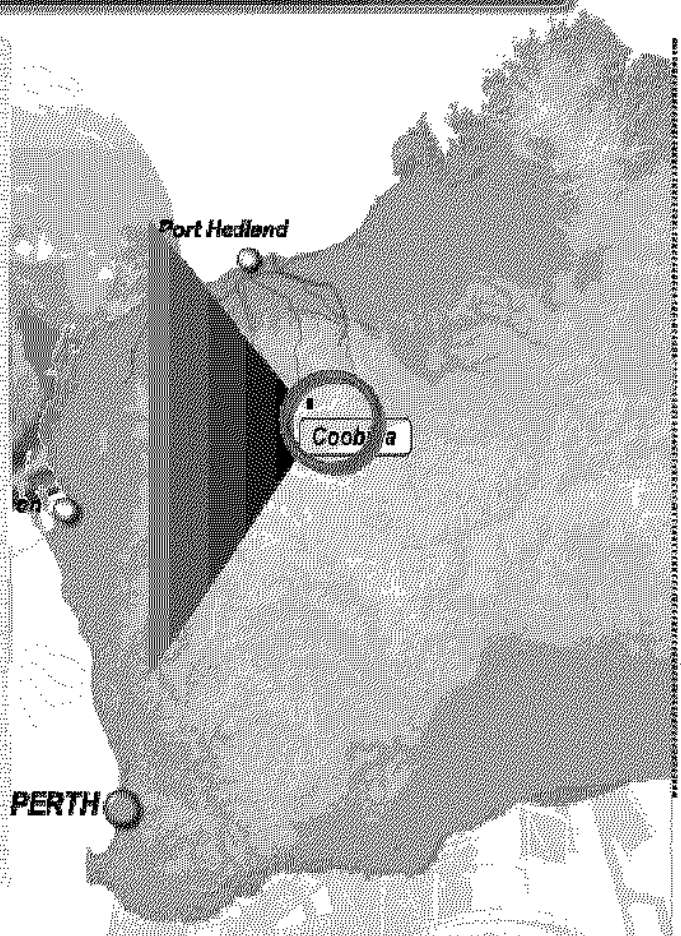
Manganese Ore Price (FOB) Benchmark



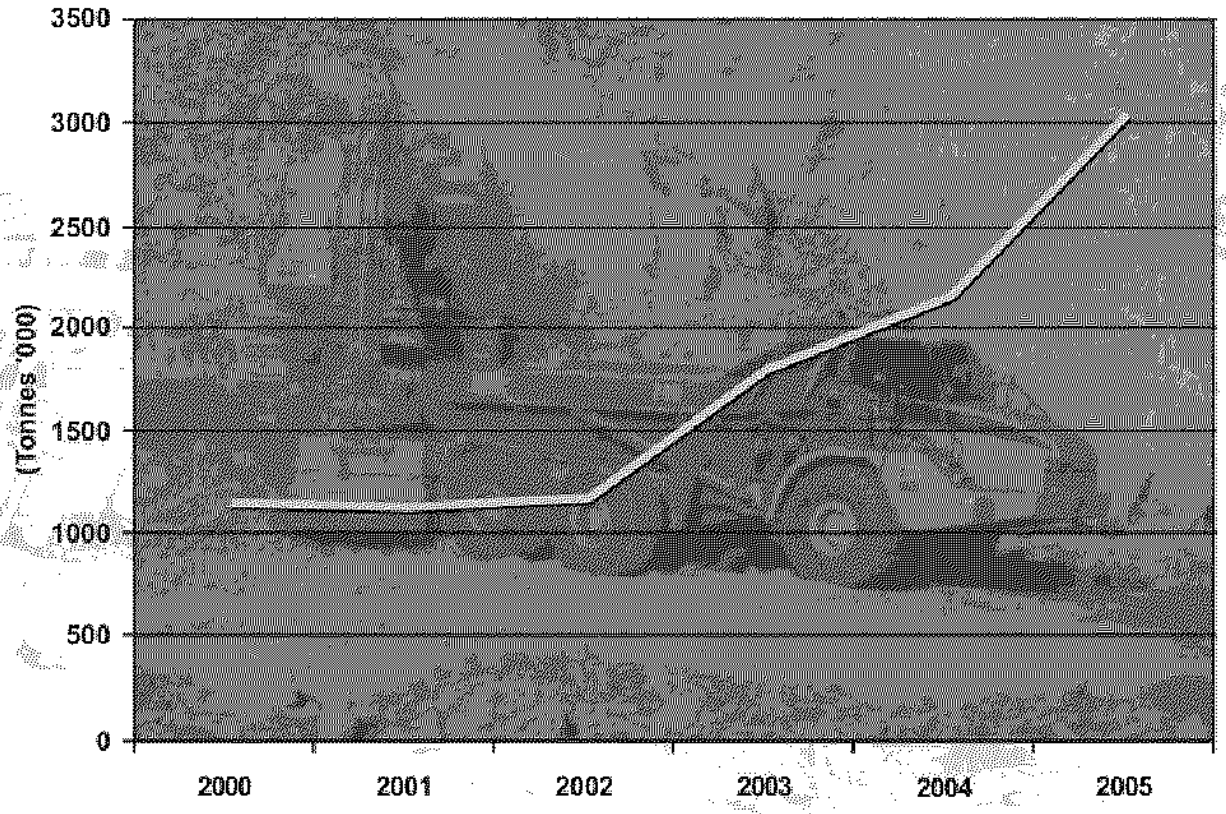
Forecast : Macquarie

Chromite Operations

- **Production:** 250,000tpa of 42% chromite ore
- **Characteristics:** Large lumpy chromite
- **Markets:** 2.5% global supply
- **Revenue:** A$30 million per annum
- **Mine Life:** 5 years



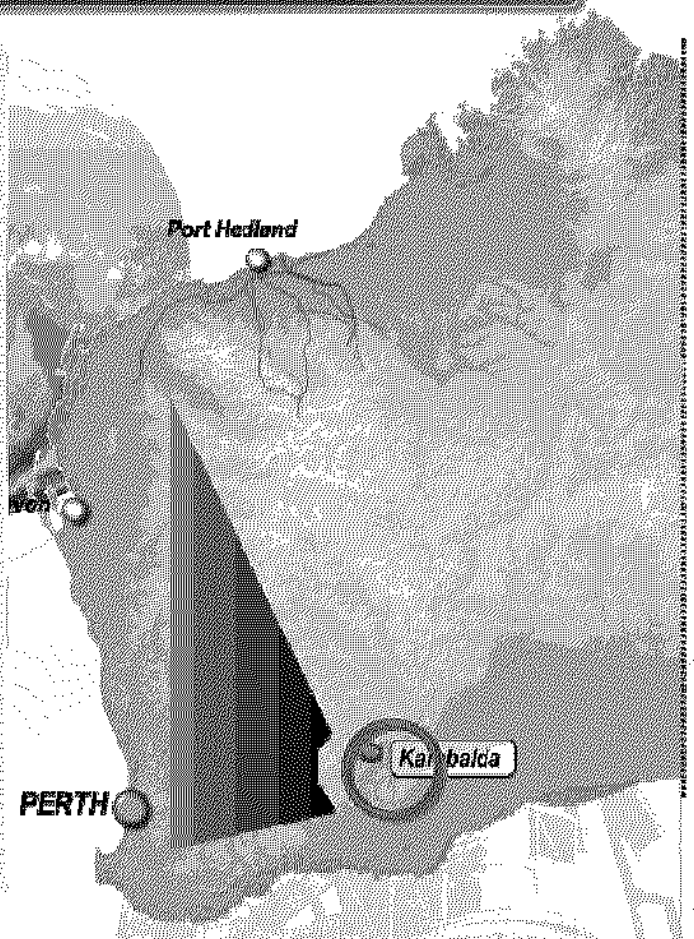
Chinese chrome ore imports



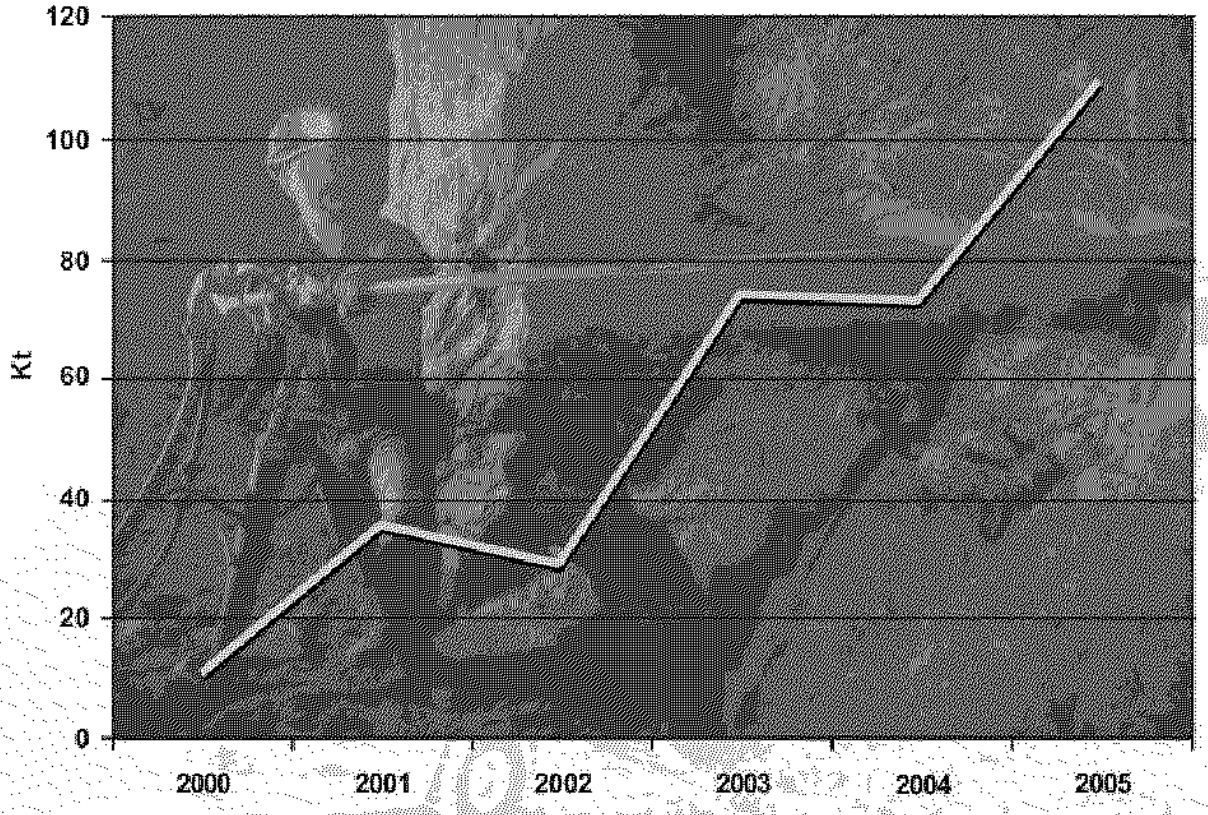
Source GTIS

Nickel Operations

- Production: 5,000tpa Ni
- Resources: 74,000t contained Ni
- Grade: 3.6% Ni
- Off-Take: BHP
- Revenue: A$70 million pa
- Mine life: 5 years plus
- East Alpha development project



Chinese nickel imports



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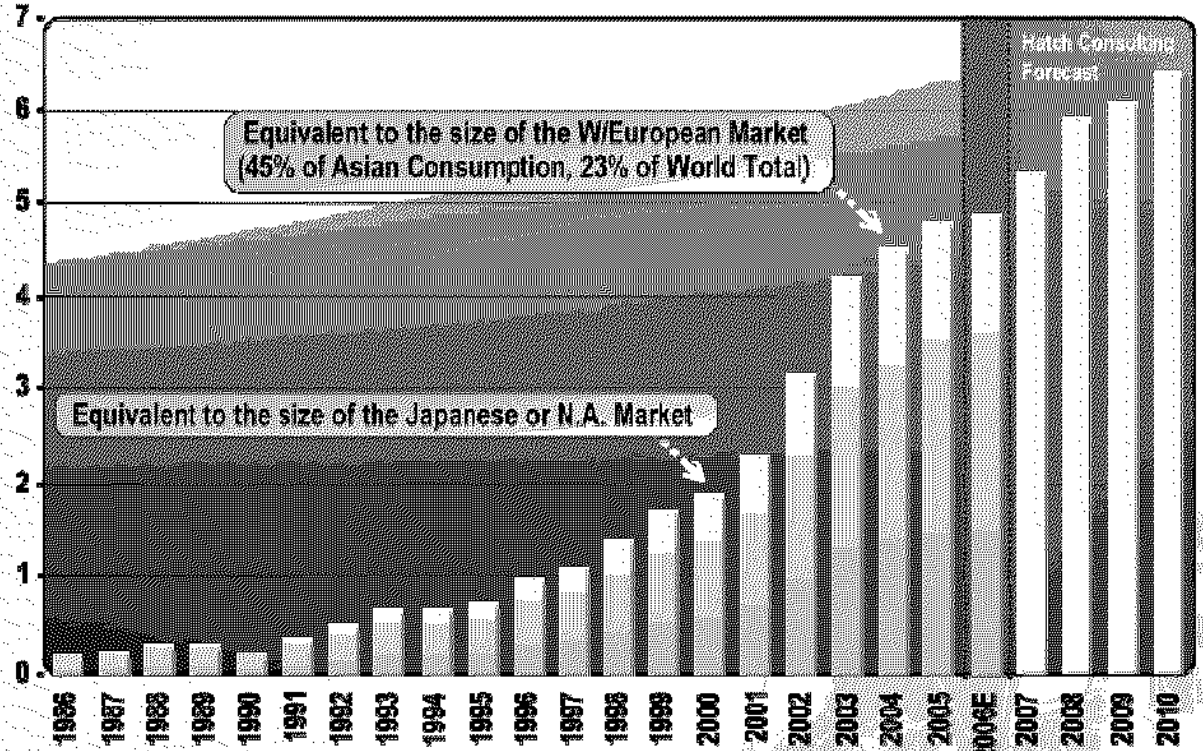
Sources: Maquarie / Australian Commodities

Chinese Stainless Steel Consumption



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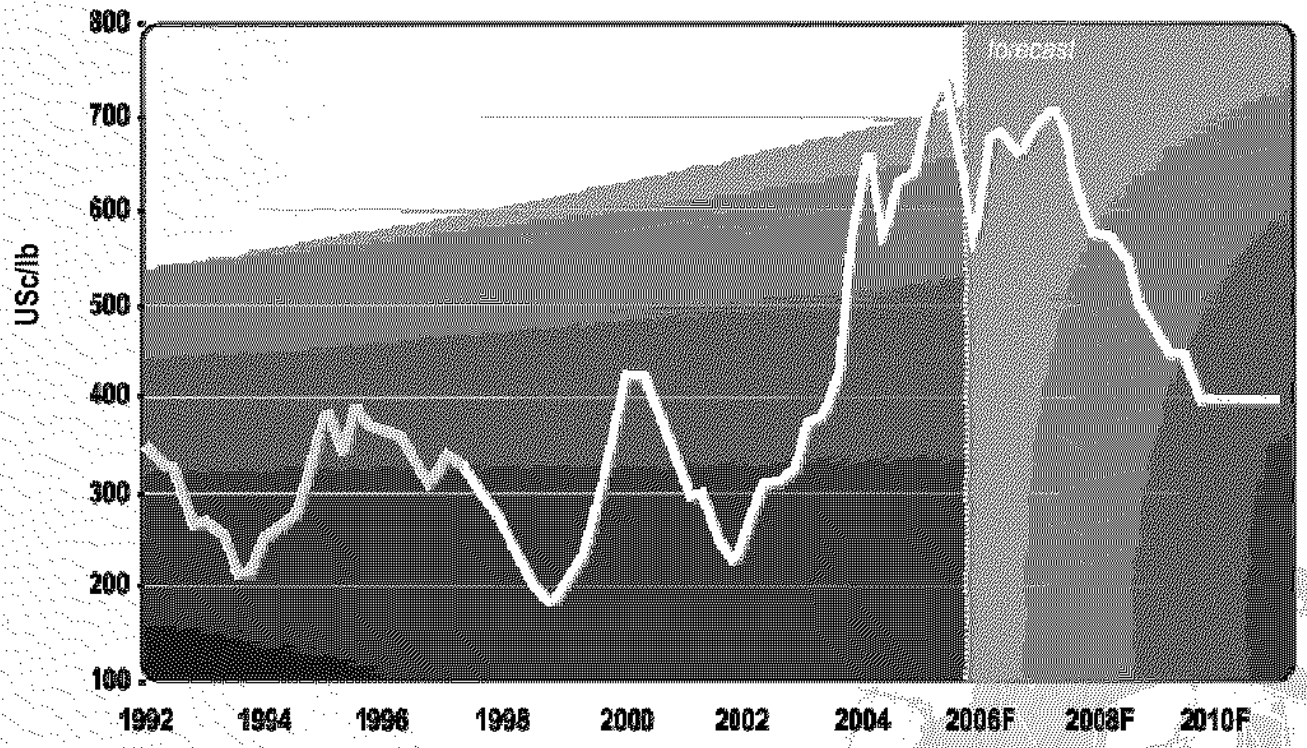
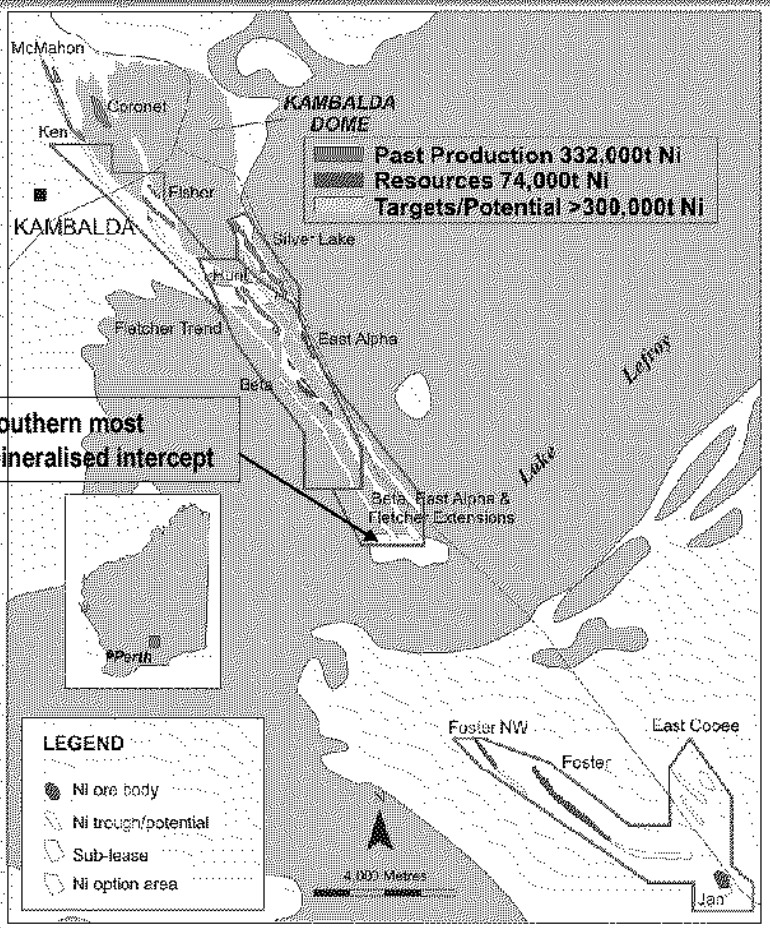
Source: Inco Limited and Hatch Consulting

Nickel Price Forecasts



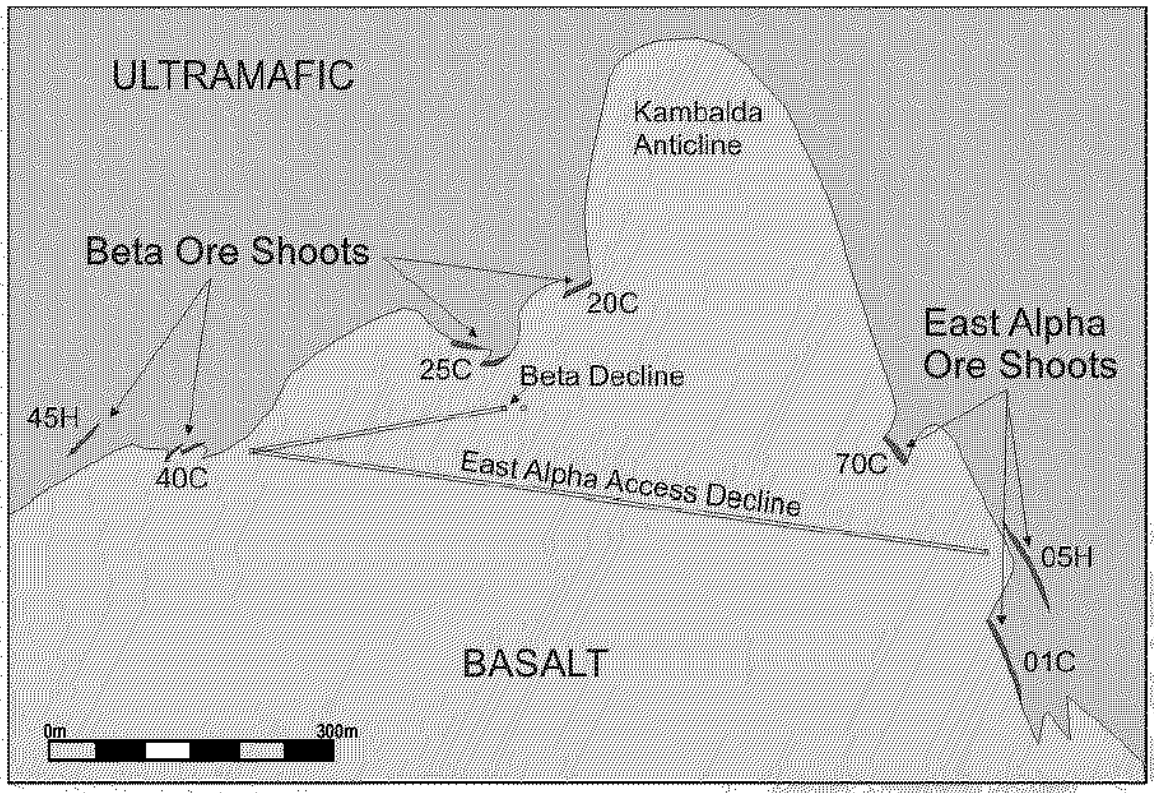
Source: Macquarie

Kambalda Growth Opportunities



- *Historical production 39Mt @ 3%Ni*
- *Dominant position on SE trending to Kambalda Dome*
- *Mineralised contact generally <1000m*
- *Proposed two phase Exploration Decline concept*

Beta – East Alpha: Cross Section



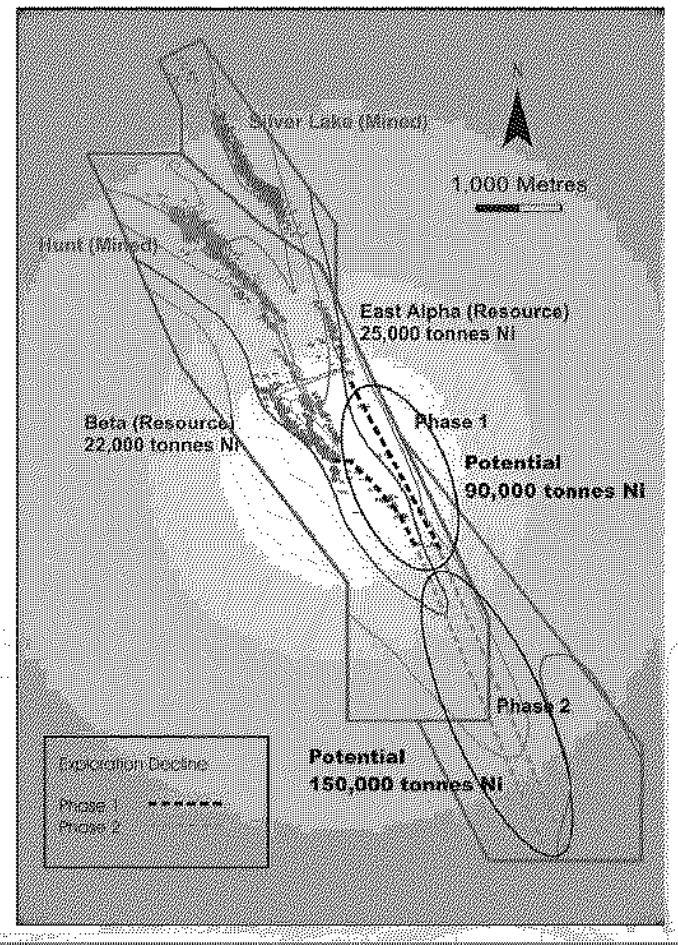
Exploration Decline Concept

Phase 1

- *Not systematically drilled*
- *Many encouraging drill intersections*
- *Potential endowment 90,000t Ni*

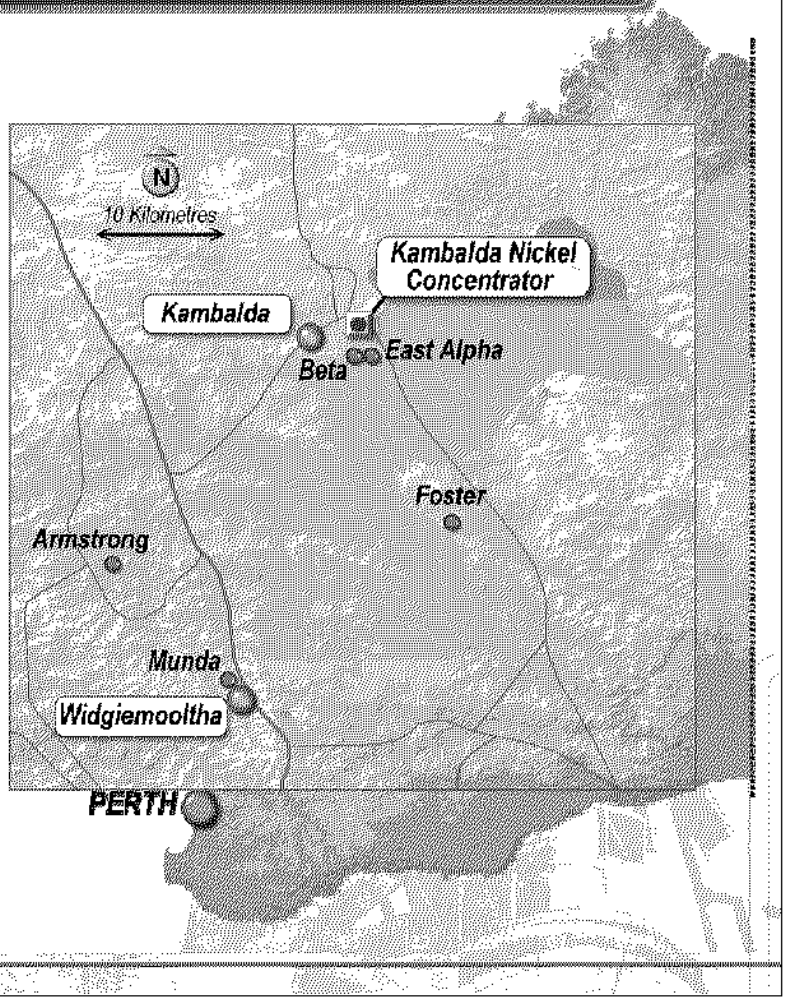
Phase 2

- *Limited drilling*
- *Encouraging intercepts at southern end*
- *Potential endowment 150,000t Ni over full 3km strike extent*



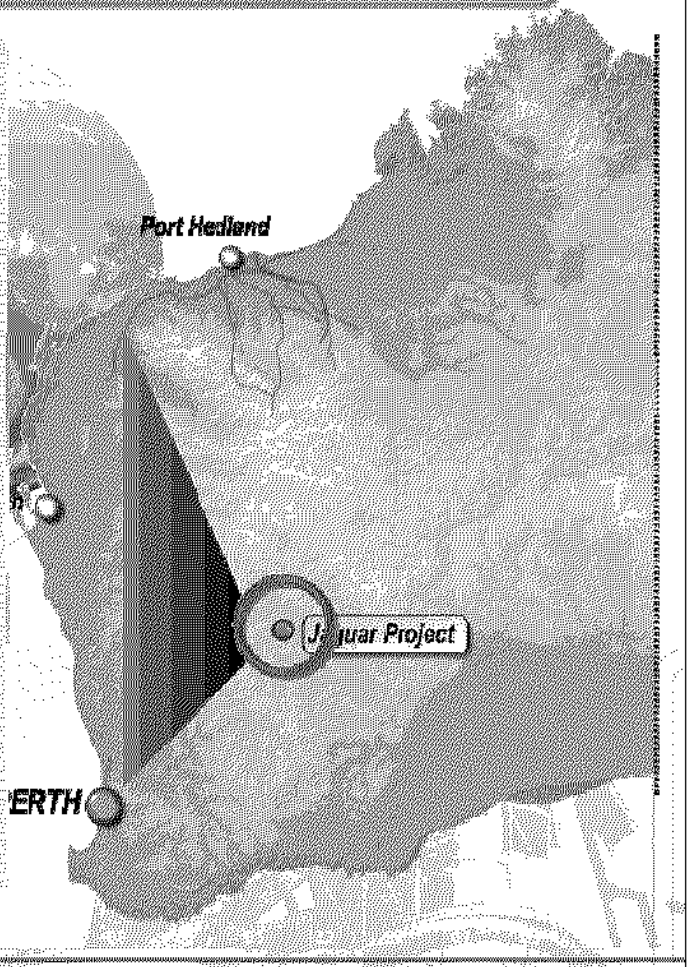
Nickel Regional Growth

- Regional opportunities
  - Titan Resources NL
    - 50% Munda JV
    - 50% Armstrong JV
  - Cazaly Resources Limited - Kunanulling JV
  - Mithral

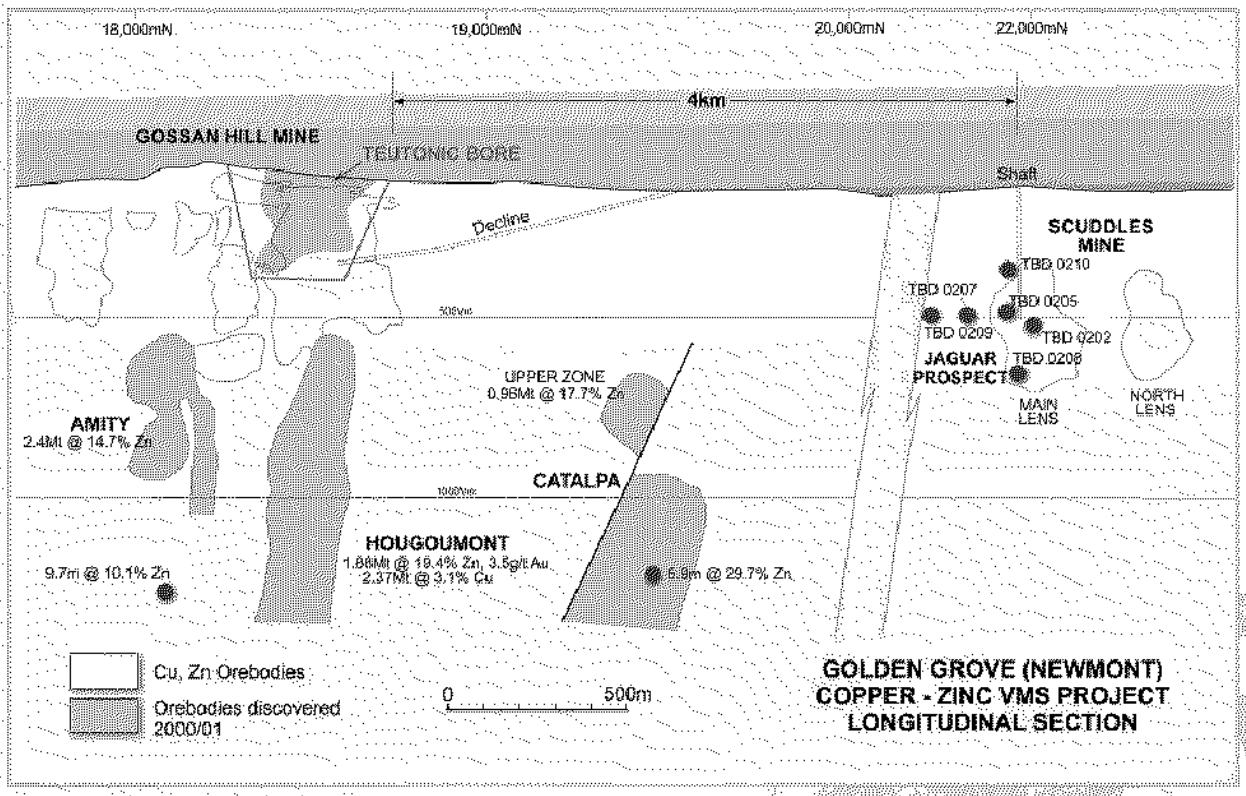


Business Development –Zinc/Copper

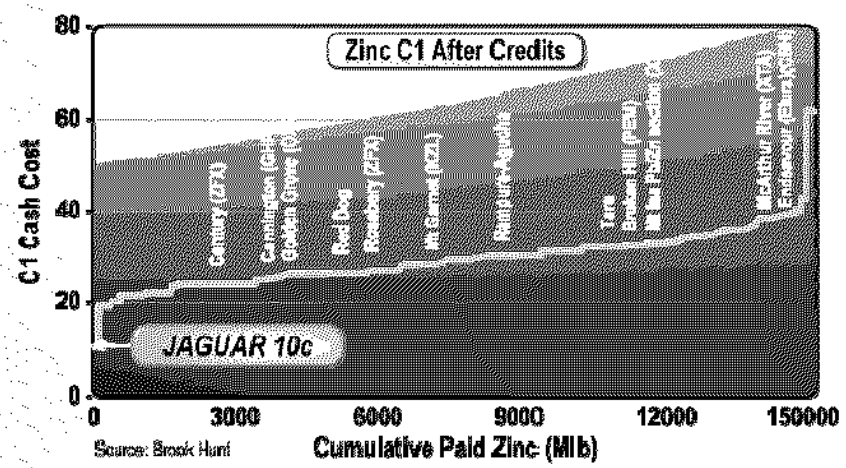
- Reserve: 1.6mt @ 11.7% Zn, 3.1% Cu, 120g/t Ag
- 20,000 tpa zinc conc. 8,000 tpa copper in conc. 800,000 oz Ag Construction November 2005
- Production Mid 2007
- Robust operating margin
- Exploration to double mine life

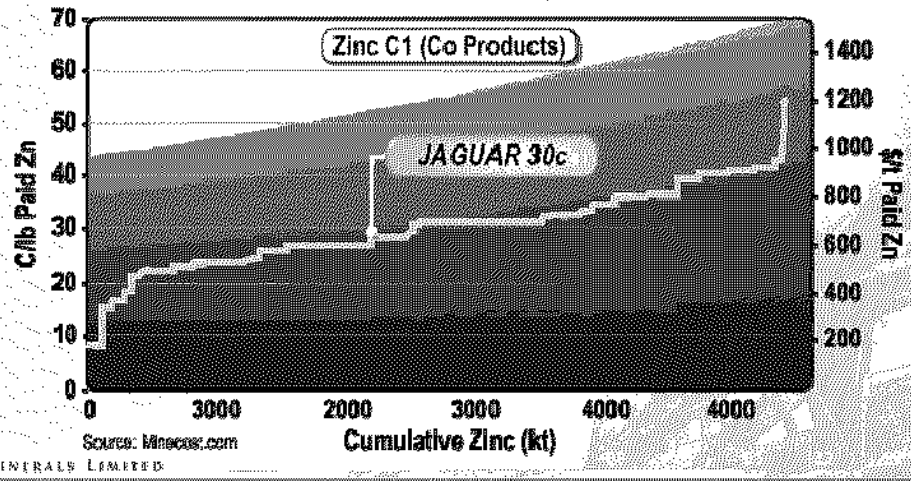


Zinc/Copper Deposit Repetition

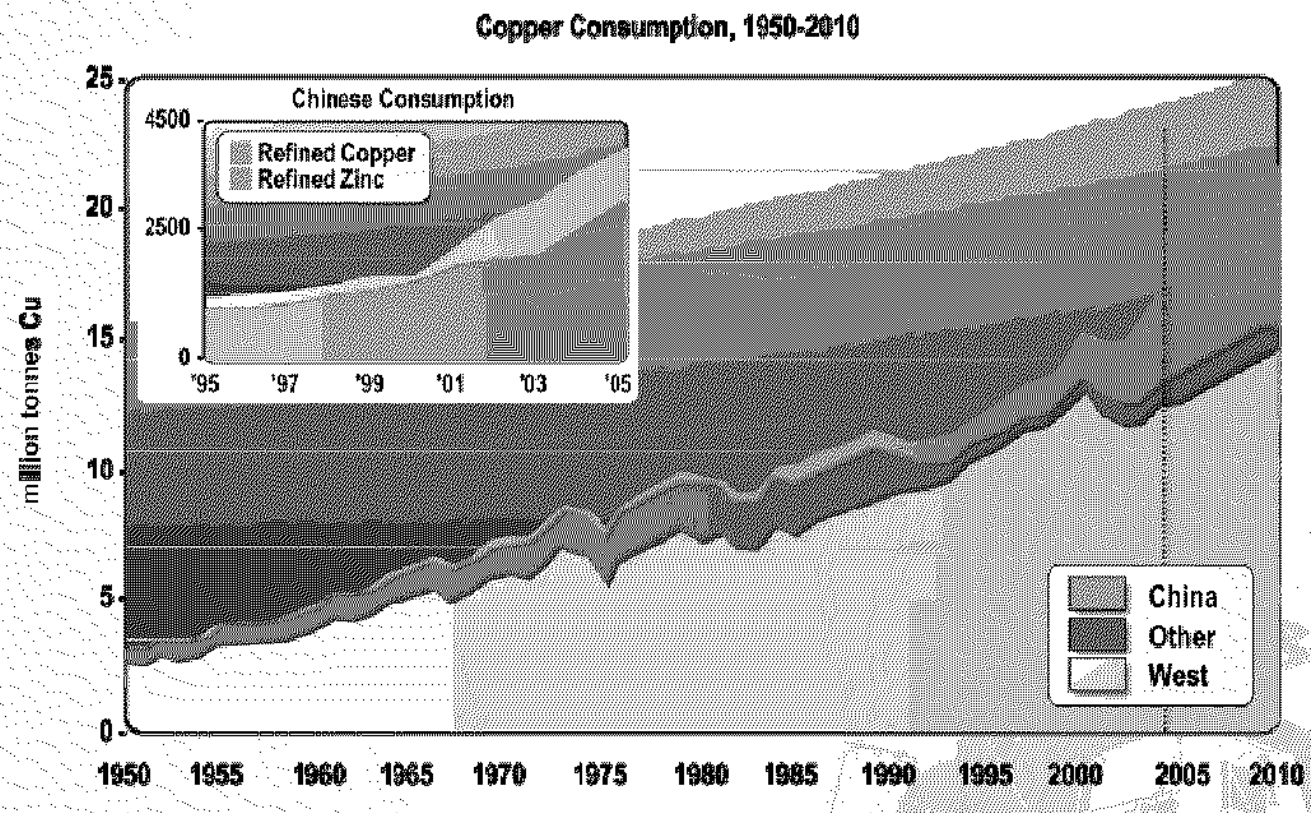


Robust Operating Margin



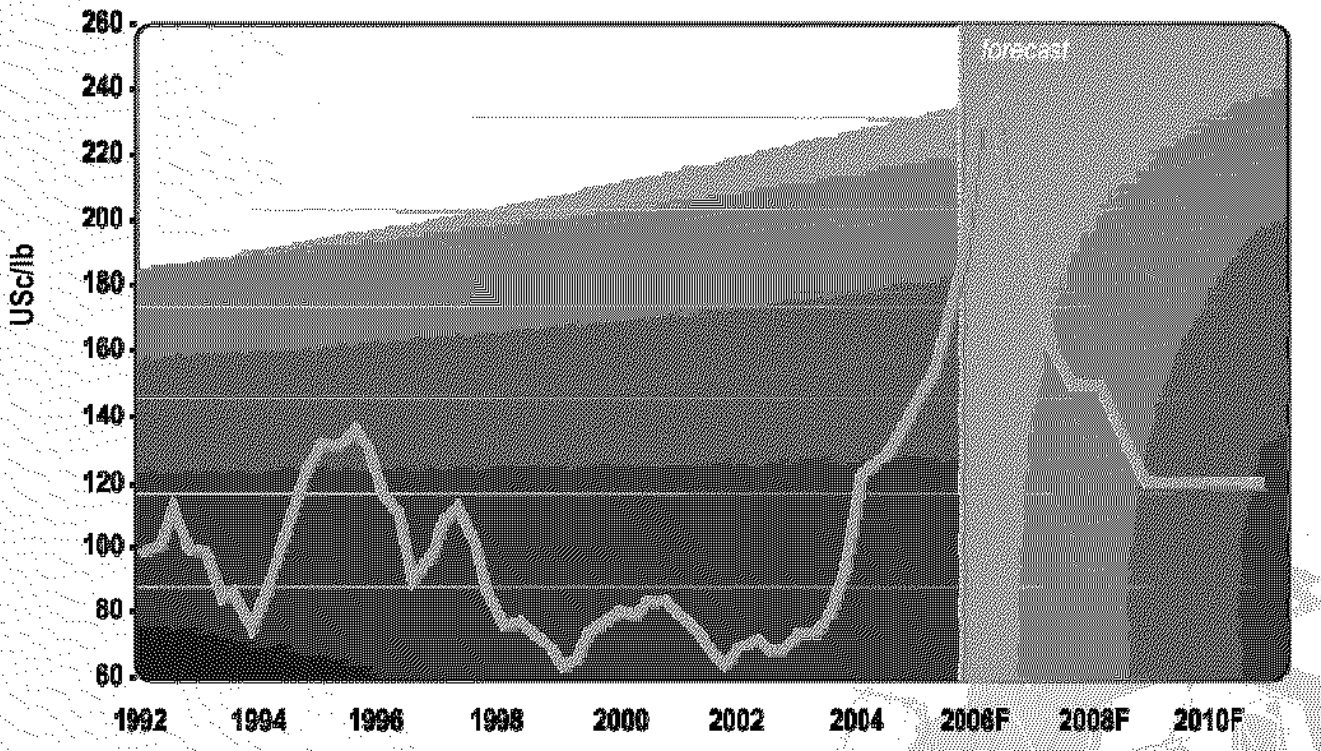


Copper Consumption



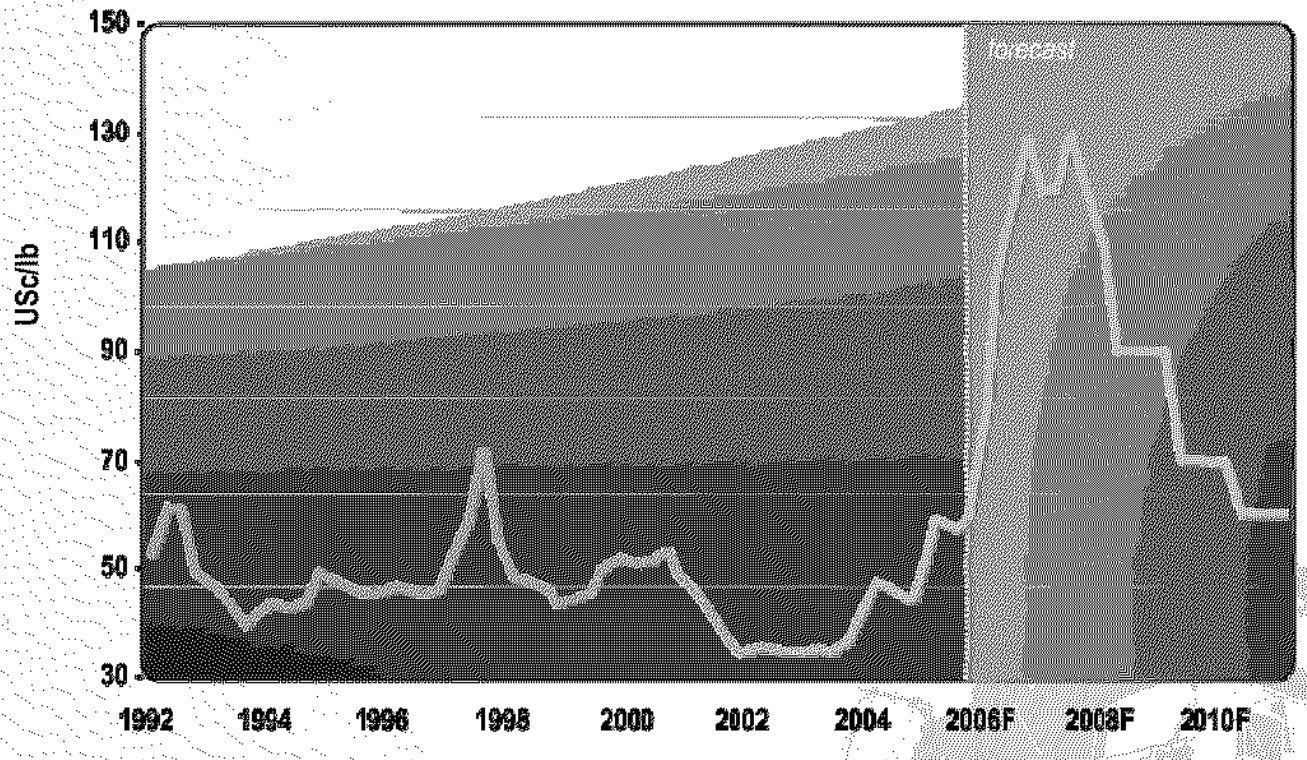
Source: Macquarie

Copper Price Forecasts



Source: Macquarie

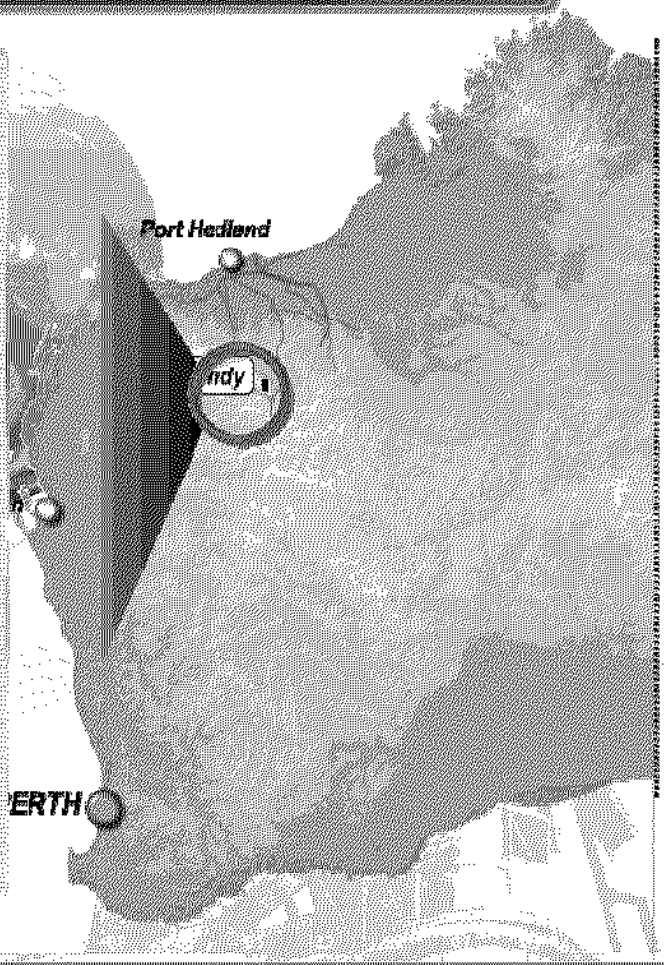
Zinc Price Forecasts



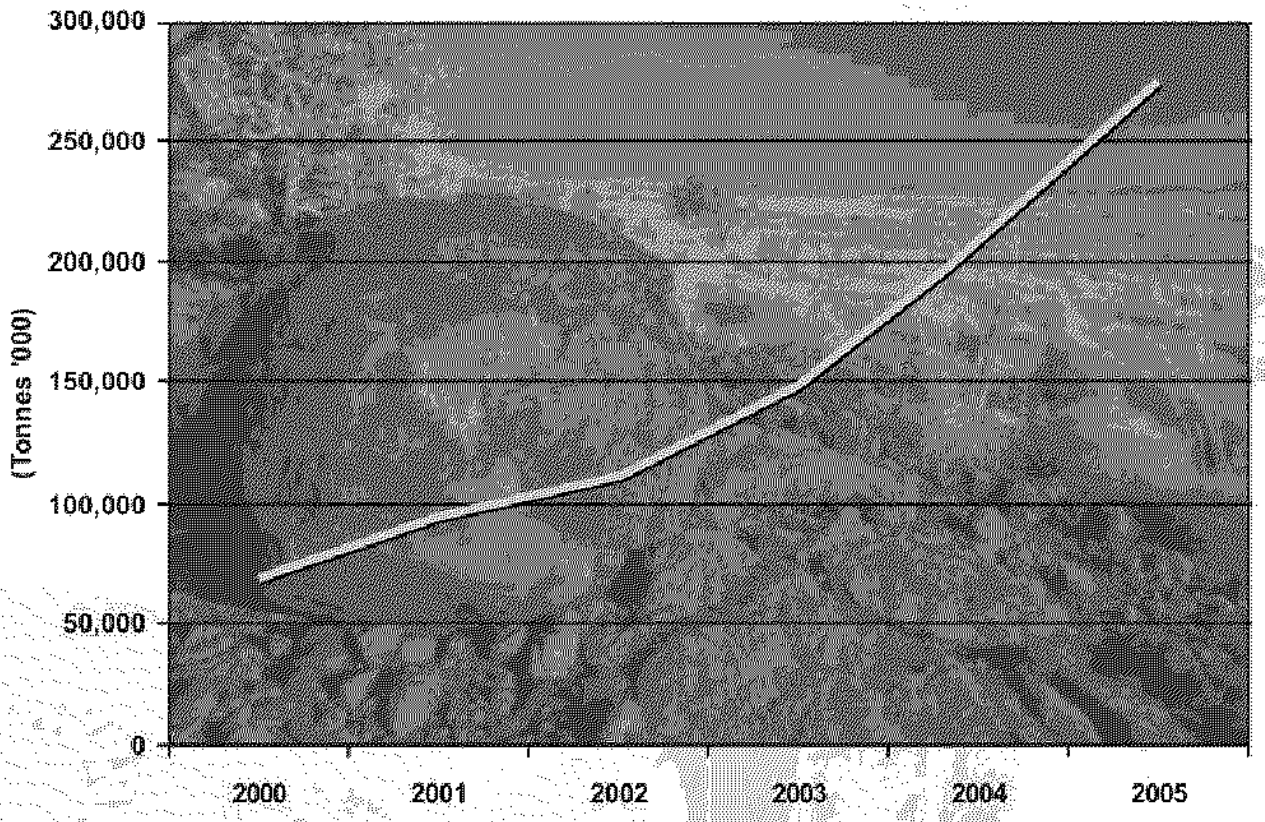
Source: Macquarie

Business Development – Iron Ore

- Drilling Mindy Mindy to indicated resource
- Preliminary Exploration Shaw River
- Channel Iron Deposits
- Some 200mt of mineralisation
- Proposed commencement 2008
- 5M Tonne per annum



Chinese iron ore imports



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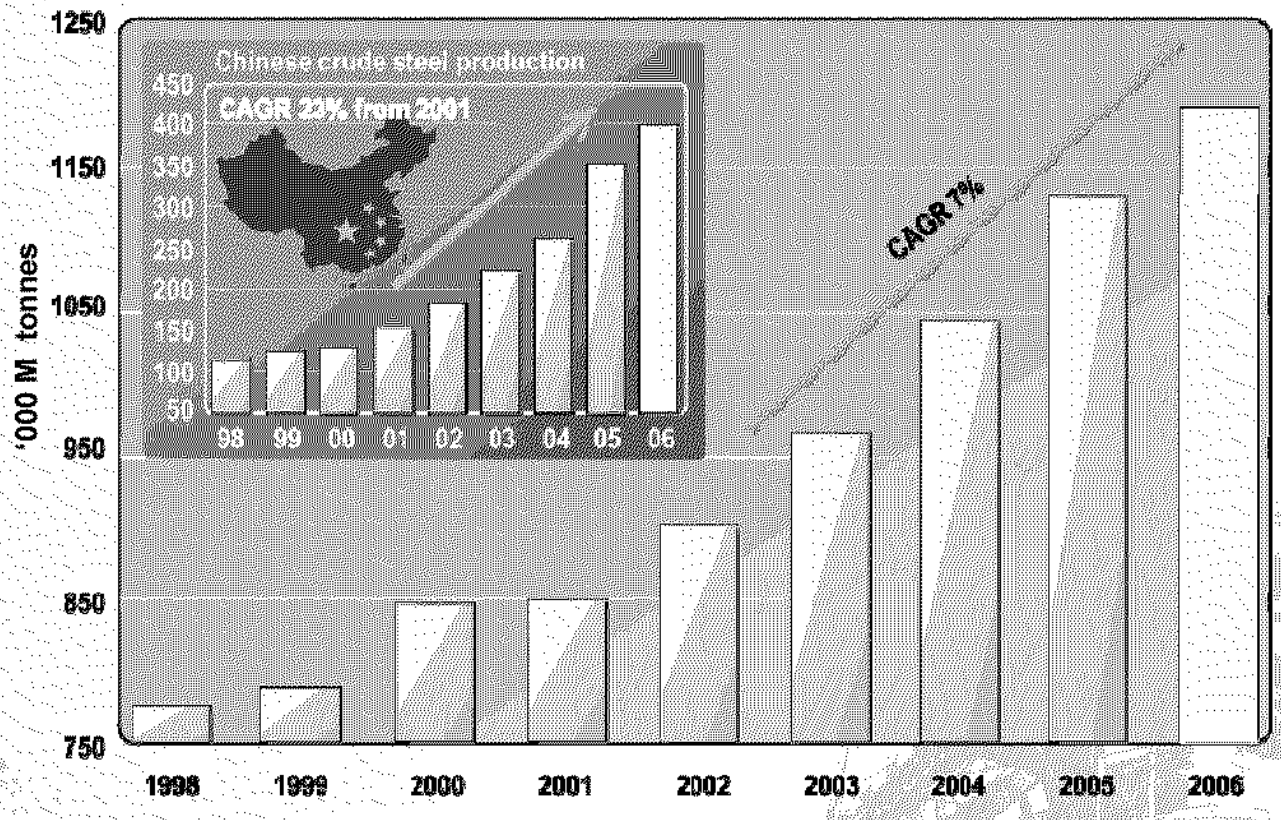
World Crude Steel Production



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CAGR : Compound Annual Growth Rate

Source : IISI, BHP Billiton

Outlook

- *Strong commodity demand and price*
- *Increasing nickel production Kambalda*
- *Extension of mine life at Woodie Woodie*
- *Substantial nickel exploration*
- *Zinc/Copper development and exploration*
- *Iron ore exploration and development*
- *Project acquisitions*

Mn	1Mtpa	Fe	5Mtpa	Cu	8ktpa
Cr	250ktpa	Ni	25ktpa	Zn	20ktpa

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