ST HELIER, Jersey, March 8, 2016 /PRNewswire/ --

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO THE UNITED STATES

- Continued weakness in the market for manganese ore resulting in record low product prices in January 2016
- Market pricing outlook remains uncertain despite global supply cuts as these are not permanent and can be reversed if supplier discipline erodes
- Consmin's balance of net cash and cash equivalents reduced from US$75.9 million[1] at 31 December 2015 to US$41.2[1] million as at 29 February 2016
- Anticipated discussions with holders of the 8.000% Senior Secured Notes due May 15, 2020 (collectively, the "Notes")

Market update

Mirroring the recent collapse in pricing seen in other commodities, the price for manganese lump (CRU, 44%Mn CIF China) decreased from US$4.35/dmtu at the start of 2015 to US$1.85/dmtu in January 2016, a reduction of 57%.

The slowdown in the Chinese economy continues to exert significant downward pressure on its domestic steel and alloy industries which results in reduced manganese ore demand and consequently lower prices for manganese ore. As a result of these historically low prices, only mines representing approximately 20% of the cost curve were expected to be cash positive, according to CRU. Production cuts have begun across the industry, including at Consmin's Woodie Woodie mine in Australia and currently representing over 6 million tonnes annualised globally, and some recent supply tightness has led to very early signs of a recovery in pricing. However, continued supply rationalisation will be required in order to restore market balance and stabilise ore prices.

Business update

Further to the Company's announcement dated 22 January 2016, the Company continues to implement cost-cutting and intensify marketing efforts to remain competitive. The Company's Woodie Woodie operations in Australia have now ceased and the assets are on care and maintenance. Benefitting from an optimized cost structure, the Company's Nsuta operations in Ghana continue to produce manganese ore for sale on the seaborne market.

As at 29 February 2016, the Company's net cash and cash equivalents[2] totalled US$41.2 million[1], a decrease of US$34.7 million from the US$75.9 million[1] balance as at 31 December 2015 and a decrease of US$60.9 million from the balance of US$102.1 million[1] as at 30 September 2015.

Anticipated discussions

In light of the current trading environment and the level and speed of depletion of its cash balances, Consmin announces to the holders of the Notes (the "Noteholders") that it wishes to discuss options with the Noteholders in Q2 of 2016.

To streamline the process, the Company requests its Noteholders to consult together with a view to forming a committee to represent the interests of the wider Noteholder group. Enquiries related to upcoming discussions with the Noteholders should be addressed to Cleary Gottlieb and Rothschild, the Company's advisers, using the contact details below. In order to facilitate the dialogue with its Noteholders, the Company is launching a noteholder identification process through Orient/DF King.

About Consolidated Minerals Limited

Consmin is a leading manganese ore producer with mining assets 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 Ltd. is headquartered in Jersey and the address of its office is Commercial House, 3 Commercial Street, St Helier, Jersey, Channel Islands, JE2 3RU.

Important Notice

These materials may contain forward-looking statements regarding future events or the future financial performance of

Consolidated Minerals Ltd. (the "Company"). You can identify forward looking statements by terms such as "expect", "believe", "estimate", "anticipate", "intend", "will", "could", "may", or "might", the negative of such terms or other similar expressions. These forward-looking statements include matters that are not historical facts and statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth, strategies, and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions you that forward-looking statements are not guarantees of future performance and that the Company's actual results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Company operates may differ materially from those described in or suggested by the forward-looking statements contained in these materials. In addition, even if the Company's results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in these materials, those results or developments may not be indicative of results or developments in future periods. The Company does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in forward-looking statements of the Company, including, among others, general economic conditions, the competitive environment, as well as many other risks specifically related to the Company and its operations, including those discussed in these materials.

These materials are not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"). Any securities mentioned herein have not been and will not be registered under the Securities Act, and no public offering will be made in the United States.

----

1. Unaudited

2. Net cash and cash equivalents does not include any amounts under the Group's overdraft facility

For further information, please contact:

Rothschild
Roger Ewart Smith
+44-(0)20-7280-5424
Roger.Ewart.Smith@Rothschild.com

Arnaud Joubert
+33-(0)1-40-74-98-36
Arnaud.Joubert@Rothschild.com

Simon Bard
+33-(0)1-40-74-41-66
Simon.Bard@Rothschild.com

Cleary Gottlieb
David Billington
+44 (0)20 7614 2263
dbillington@cgsh.com

Contact
David Slater - +44 1534 513 300