



ASX / AIM Release

22 January 2008

A NEW CHAPTER FOR CONSOLIDATED AS PALMARY BACKS LONG-TERM GROWTH VISION

Consolidated Poised to Become a Significant Force in the Global Resource Sector

Consolidated Minerals Limited (**ASX: CSM, AIM: CNM, FSE: CMN** – “Consolidated”) is set to embark on a significant new chapter in its history as a diversified resources group after today announcing plans to accelerate its growth strategy as an unlisted company – with the backing of its new owner, **Palmary Enterprises** (“Palmary”).

Underpinned by its existing manganese, chromite and nickel businesses – and now with the backing of a major international commodities and raw materials group – Consolidated said it would pursue a growth strategy through a combination of acquisitions and expansion of its manganese and nickel businesses.

“Following a very positive and productive series of meetings last week with Palmary’s senior management team led by owner Mr Gennadiy Bogolyubov, I am pleased to confirm that Palmary has given its strong support and backing to the core elements of our existing growth and development strategy,” said Consolidated’s Managing Director, Mr Rod Baxter.

“The key difference is that this strategy will now be accelerated and significantly expanded thanks to the global networks, extensive asset base and greatly expanded range of opportunities that Palmary brings to the table,” he said. “This will entail both vending in assets from Palmary’s global portfolio and pursuing new acquisition opportunities in Australia and internationally.”

“Our shared vision is to continue to build Consolidated into a leading global diversified mining house to take advantage of what we see as a sustained period of strong demand and growth in global commodity markets, with a view to potentially re-listing in the medium term,” Mr Baxter continued. “With the backing of a supportive, progressive and strategic shareholder – who brings tremendous growth opportunities – we will effectively be able to accelerate our growth strategy, opening up exciting career pathways for our employees both in Australia and overseas.”

“This outcome is particularly exciting for Consolidated’s existing employees, as Mr Bogolyubov believes that the current management team and employee base is a key to the successful implementation of our shared plans to build a leading international mining group.”

“Mr Bogolyubov was impressed by what he saw at our operations during last week’s site visit, and he has confirmed that all existing employees will be retained and that the Company will continue to operate in Perth to remain close to its current major assets in Western Australia.”

“This signals the beginning of an exciting new era for Consolidated, and I am looking forward to working closely with Mr Bogolyubov, Palmary and all the members of our existing team towards delivering our vision to build a world-class diversified resources group,” Mr Baxter said.

Delisting from ASX and AIM

Having acquired in excess of 90% of Consolidated’s shares when its off-market takeover offer of A\$5.00 per share closed on 8 January 2008, Palmary is compulsorily acquiring the remaining securities in the Company.



As a result, Consolidated's securities will be suspended from quotation on the Australian Securities Exchange (ASX) from the close of trading on 22 January 2008 and the Company's admission on the Alternative Investment Market (AIM) of the London Stock Exchange will be cancelled on 12 February 2008.

Notwithstanding that it will no longer be listed on the ASX and AIM, Consolidated will continue to maintain the highest standards and disciplines with regard to its approach to corporate governance, social responsibility and disclosure.

"We will continue to be a values-driven company, with safety and high performance foremost among our values," Mr Baxter said. "We will continue to work closely with all our stakeholders to maintain mutually beneficial relationships."

Further Information

CSM Shareholders with further questions about the Palmary offer can contact the Palmary Offer Information Line on 1300 134 073.

Shareholders seeking further information about their shareholdings should contact Consolidated's share registry, Computershare Investor Services, on 1300 787 575 or +61 8 9323 2000.

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