

1 March 2011



ASX Release Debt Finance

Cobar Consolidated Resources Limited (ASX:CCU) announced today that it had achieved a significant milestone with the funding requirements for its Wonawinta Silver Project.

Terms have been agreed with Commonwealth Bank of Australia and WestLB AG Sydney Branch to provide a secured loan of \$22M for project development. Additional facilities for cost overrun, working capital and bonding/guarantee requirements have also been agreed. The funding package is subject to documentation being finalised and a number of conditions precedent.

The project loan has a term of 3 years and will require the Company to hedge a minimum of 30% of silver production over the period of the loan.

The Company will now move to complete documentation associated with the funding package.

Investor and media enquiries;
Trevor Shard
Company Secretary
(03) 9866 8613

About CCU: *Cobar Consolidated Resources is developing the Wonawinta silver project, 85km south of Cobar in western New South Wales. Wonawinta has an indicated and inferred resource of 51M ounces of silver including a probable ore reserve of 14M ounces silver. Cobar expects to become a global scale silver producer at Wonawinta with production forecast at 2.5M ounces silver per annum, commencing in the December quarter of 2011. Refer to the Company's previous announcements for details of the Wonawinta Silver Project.*

LEVEL 4
448 ST KILDA RD
MELBOURNE VIC 3004

PO BOX 7693
ST KILDA ROAD VIC 8004

Ph: 03) 9866 8613

Fax: 03) 9820 2586

ACN 118 684 576

ASX code: CCU