



Entitlement Offer

Fully underwritten 1 for 10 pro rata renounceable entitlement offer of Cobar Consolidated Resources Limited (**CCU**) ordinary shares at an offer price of \$0.82 per new share.


Entitlement offer closes at 5.00pm (AEST) on 20 May 2011.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please call your stockbroker, accountant or other professional adviser or the CCU Offer Information Line if you have any questions.

ORD MINNETT

Ord Minnett Limited is Underwriter to the Offer. A summary of the Underwriting agreement is outlined in section 7 of this Booklet.



Important Notices

This Booklet (including the ASX announcements) and the enclosed personalised Entitlement and Acceptance Form (Information) have been prepared by CCU.

This Booklet is dated 18 April 2011 (unless indicated otherwise). This Booklet remains subject to change without notice and CCU is not responsible for updating this Information. There may be additional announcements made by CCU after 18 April 2011 and throughout the Offer that may be relevant to your consideration of whether to take up, sell or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by CCU before submitting your application or selling or transferring an Entitlement.

No party other than CCU has authorised or caused the issue of the information, or takes any responsibility for, or makes, any statements, representations or undertakings in the information.

This Booklet is important and requires your immediate attention. You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the “Key Risks” section of the CCU Investor Presentation included in this Booklet that could affect the operating and financial performance of CCU or the value of an investment in CCU.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Offer.

Future performance and forward looking statements

The Information contains certain “forward looking statements”. Forward looking statements should or can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “will”, “could”, “may”, “target”, “plan” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements.

The forward looking statements involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of CCU, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

Forward looking statements may also be based on estimates and assumptions which are subject to change. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material.

These statements may assume the success of CCU’s business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond CCU’s control (including uncertainties described in the “Key Risks” section of the CCU Investor Presentation included in this Booklet), and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise.

You are cautioned not to place undue reliance on forward looking statements and, except as required by law, CCU assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward looking statements in this Booklet should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that CCU will achieve, or is likely to achieve, any particular results.

Past performance

Past Share price performance of CCU Shares provides no guidance as to future Share price performance.

Foreign jurisdictions

The distribution of this Booklet in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Booklet outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Booklet does not constitute an offer or invitation in any place outside Australia or New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia.

References to “you” and “your Entitlement”

In this Booklet, references to “you” are references to Eligible Shareholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

Times and dates

Times and dates in this Booklet are subject to change.

Privacy

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing information to CCU (directly and/or via the Share Registry) that may constitute personal information for the purposes of the Privacy Act 1988 (Cth). CCU (and the Share Registry on its behalf) collects, holds and uses personal information provided on an Entitlement and Acceptance Form in order to assess your application and administer your holding of Shares.

If you do not provide the information requested in the Entitlement and Acceptance Form, CCU and the Share Registry may not be able to process or accept the form.

Access to your personal information may be provided to other companies within the CCU group and to CCU's agents and service providers on the basis that they deal with such information in accordance with this privacy disclosure statement. You have a right to request access to the personal information that CCU holds about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to CCU's share registry.

Defined terms and conditions

Certain terms and abbreviations used in this Offer are defined in the Glossary in Section 8.

References to **Australian dollars** or **\$** are references to the lawful currency of Australia. Any discrepancies between the totals and the sum of all the individual components in the tables contained in this Offer are due to rounding.

Enquiries

If you have any questions, please call the CCU Offer Information Line on 1300 880 751 (within Australia) or +61 2 8280 7503 (outside Australia), or consult your stockbroker, accountant or other professional adviser. The CCU Offer Information Line will be open from 8.30am to 5.30pm (AEST), Monday to Friday, until 20 May 2011.

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Section 1 Chairman's Letter

Dear Shareholder,

On behalf of the Board of Cobar Consolidated Resources Limited (**CCU**), I am pleased to invite you to participate in a 1 for 10 underwritten renounceable entitlements offer of new CCU shares at an offer price of \$0.82 per new share to raise approximately \$13.4 million (**Offer**). The Offer price represents a 15% discount to the closing market price of CCU's shares on 13 April 2011. I am pleased to inform you that the Offer has been fully underwritten by Ord Minnett and that Magna Resources Corporation has indicated that it will take up its entitlement under the Offer.

The Offer follows a Placement to institutional and professional investors of 16.5M shares at a price of \$0.91 per share which raised approximately \$15 million. In order to allow the participation in the Placement of a number of institutions which the Board believes will be long term supporters of the Company, the Placement was increased from an initial \$10 to \$15 million. The additional funds raised will provide the Company with flexibility in its capital management.

The Offer structure enables eligible shareholders to trade entitlements on ASX for 14 days commencing on the trading day immediately after the announcement of the Entitlement Offer. This will allow eligible shareholders to receive value for their entitlements should they choose not to take up their entitlements.

In addition, eligible shareholders who do not sell or take up their entitlement may still receive value for their entitlements via a shortfall bookbuild after the Offer closes. However this will depend on the state of markets in the future and cannot be guaranteed.

The equity raised of approximately \$27.2 million, net after costs, is intended to be used to fund the development of the Wonawinta project and ongoing exploration at Gundaroo, and to provide working capital to sustain and fund the ongoing development of CCU. Wonawinta is our flagship project. Gundaroo presents a prospective base metals exploration target, where recent re-interpretation of gravity data has highlighted significant anomalies.

We have agreed to the terms of a \$22 million project finance facility and are now in the process of finalising the documentation associated with that debt facility. We expect to sign documentation by 31 May 2011. For more information regarding the project finance facility, please refer to our announcement of 1 March 2011.

You will no doubt be aware that the silver price has recently reached a record high of over \$40 per ounce. If this price prevails for the life of the Wonawinta project, the project should, subject to the Risk Factors discussed in the Investor Presentation, generate significant cash flow. The cash flow can then be used to quickly repay debt, pay dividends to shareholders and pursue additional options for growth.

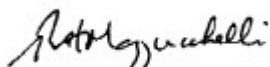
Attached to this letter you will also find important information about the Offer under the following headings:

- Summary of options available to you;
- Key dates for the Offer;
- Taxation considerations;
- ASX announcements (including the investor presentation);
- Important information

I encourage you to read this information, and in particular the Risk Factors set out in the investor presentation. For further information you should contact your stockbroker, accountant or other professional adviser.

The Board is pleased to offer you this opportunity to be involved in the next exciting stage of CCU's development.

Yours sincerely



Richard Mazzucchelli
Chairman

Section 2 Details of the Offer

The Offer

CCU is making a renounceable pro rata offer of New Shares at an issue price of \$0.82 each on the basis of one (1) New Share for every ten (10) Ordinary Shares held on the Record Date (**Offer**). As at the date of this Booklet, CCU has on issue 146,939,316 Shares. Following the issuance of Ordinary Shares under the Placement CCU will have 163,439,316 Shares forming the basis of the Offer. 16,343,931 New Shares will be issued under the Offer to raise approximately \$13.4M before costs.

CCU intends to apply the funds raised from the Offer (together with funds raised under the Placement) towards:

- the development of CCU's Wonawinta Silver Project;
- further exploration activities including at Gundaroo and around Wonawinta;
- working capital to commence operations; and
- the ongoing operations of the company

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded down to the nearest whole New Share.

Underwriting

The Offer is fully underwritten by Ord Minnett Limited. A summary of the terms of the Underwriting Agreement is set out in Section 7.10 of this Booklet.

Placement

CCU has announced a Placement of 16,500,000 Shares at an issue price of \$0.91 to raise approximately \$15 million before costs. Neither the Placement nor the Offer is conditional on the successful completion of the other. The Placement will be completed immediately (without Shareholder approval), under CCU's 15% placement capacity. Shares issued under the Placement will be able to participate in the Offer.

Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Booklet.

The number of New Shares to which you are entitled is shown on the Entitlement and Acceptance Form. Acceptances must not exceed your maximum Entitlement, although you may accept for a lesser number of New Shares should you wish to take up only part of your Entitlement. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum Entitlement and any surplus application monies will be returned to you. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. New Shares in respect of the lapsed Entitlements will be sold through a Shortfall Bookbuild on Wednesday, 25 May and you will receive any Premium (See Section 7.11).

The Offer is renounceable. Accordingly, Entitlements may be traded on the ASX from 20 April 2011 and you may also transfer your rights to another party.

Eligible Shareholders may take any of the following actions:

- a) take up or sell all of your Entitlement;
- b) take up or sell some of your Entitlement and allow the balance of your Entitlement to lapse; or
- c) do nothing and allow all your Entitlement to lapse.

Opening and Closing Dates

The Offer opens on the Opening Date. CCU will accept Entitlement and Acceptance Forms until 5:00pm AEST on the Closing Date or such other date as the Directors without notice and in their absolute discretion shall determine, subject to the ASX Listing Rules. Please refer to the timetable set out in Section 4 or details of these dates. Shareholders are urged to lodge their Entitlement and Acceptance Forms as soon as possible.

Issue and despatch

The expected dates for issue of New Shares offered by this Booklet and despatch of holding statements is expected to occur on the dates specified in the timetable set out in Section 4.

It is the responsibility of applicants to determine their allocation prior to trading in the New Shares issued under the Offer. Applicants who sell New Shares issued under the Offer before they receive their holding statements will do so at their own risk.

ASX listing

Application for official quotation by ASX of the New Shares offered pursuant to this Booklet will be made within 7 days after the date of this Booklet. If approval is not obtained from ASX before the expiration of 3 months after the date of this Booklet (or such period as varied by ASIC) CCU will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the New Shares offered under this Booklet is not to be taken in any way as an indication of the merits of CCU or the New Shares now offered for subscription.

Disclosing Entity and Enhanced Disclosure Securities

CCU is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX, and as such are subject to regular reporting and disclosure obligations.

This Booklet is intended to be read in conjunction with the publicly available information in relation to CCU which has been notified to ASX and does not include all information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for New Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to CCU before making a decision whether or not to invest.

Copies of CCU's announcements can be obtained from www.asx.com.au or www.ccrlimited.com.au

Foreign jurisdictions

The distribution of this Booklet in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Booklet outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Booklet does not constitute an offer or invitation in any place outside Australia or New Zealand where, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or to otherwise permit an offering of the New Shares outside Australia.

Rights Attaching to New Shares

The New Shares issued will rank equally with existing Ordinary Shares on issue. The rights and liabilities attaching to the New Shares are set out in the CCU constitution and in the Corporations Act.

Acceptance and payment by Cheque

If you are paying for your New Shares by cheque, send your completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable to reach CCU's share registry by 5:00 pm (AEST time) on the Closing Date.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “**Cobar Consolidated Resources Limited – Share Offer Account**” and crossed “**Not Negotiable**”. Payments in cash will not be accepted.

You must ensure your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your Application will be rejected. CCU will not re-present any dishonoured cheques.

Your completed Entitlement and Acceptance Form and cheque must be delivered to CCU’s Share Registry, Link Market Services, Sydney, no later than 5:00pm (AEST) on the Closing Date. Entitlement and Acceptance Forms with cheques can be delivered to Link Market Services before 5pm (AEST) on the Closing Date as follows:

By Hand: Link Market Services
Level 12, 680 George Street
SYDNEY NSW 2000

By Post: Link Market Services
Reply Paid 3560
SYDNEY NSW 2001

Completed Entitlement and Acceptance Forms and application monies will not be accepted if sent to another address.

Acceptance and Payment by Bpay®

If you are paying for your New Shares by Bpay, refer to your personalised instructions on your Entitlement and Acceptance Form. You **DO NOT** need to complete or return the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form when you make payment by Bpay. However, to ensure that payments are processed through CCU’s banking arrangements, payments must be received by no later than 3.00 pm (AEST) on the Closing Date.

Make sure you use the specific Biller Code and unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings, only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **DO NOT** use the same CRN for more than one of your shareholdings. This can result in your application monies being applied to your entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through Bpay are received by **3:00pm (AEST) on the Closing Date**. Once you have made a payment by Bpay and your application is accepted you cannot withdraw your application for New Shares.

Section 3 Summary of Options Available to You

Options available to you – key considerations

1. Take up all or part of your Entitlement

You may elect to purchase New Shares at the Offer Price.

- The New Shares will rank equally with your existing Shares
- The Offer closes at 5.00pm (AEST) on 20 May 2011.
- If you only take up part of your Entitlement, you may choose to sell the balance (see Option 2 below) or you may do nothing and let that part lapse and allow New Shares in respect of that part of your Entitlement to be sold in the Shortfall Bookbuild (see Option 3 below).
- You cannot withdraw your application once it has been accepted.

2. Sell all or part of your Entitlement

- If you do not wish to take up all or part of your Entitlement you may be able to sell all or part of your Entitlement on ASX through your broker or transfer your Entitlement directly to another person.
- Entitlements may be traded on ASX from 20 April 2011 to 13 May 2011 (ASX code: CCUR). You may incur brokerage costs if you sell your Entitlement on ASX.
- If you sell your Entitlements in the Entitlement trading period, you may receive a higher or lower amount than a shareholder who sells their Entitlement at a different time in the Entitlement trading period or through the Shortfall Bookbuild. You will also forgo any exposure to increases or decreases in the value of New Shares had you taken up that Entitlement. Your percentage shareholding in CCU will also be diluted.
- If you only sell part of your Entitlement, you may choose to take up the remainder (see Option 1 above) or you may do nothing and let that part lapse and allow New Shares in respect of that part of your Entitlement to be sold in the Shortfall Bookbuild (see Option 3 below).

3. Let your Entitlement lapse

If you do not take up or sell your Entitlement on ASX (or via direct transfer), it will lapse. New Shares in respect of lapsed Entitlements will be sold through the Shortfall Bookbuild on or around 25 May 2011 and you will receive any Premium (see Section 7.11) in respect of these New Shares. There is no guarantee that there will be any Premium.

- You will not incur brokerage costs on any Premium received from the Shortfall Bookbuild.
- By letting your Entitlement lapse you will forgo any exposure to increases or decreases in the value of New Shares had you taken up that Entitlement (or any value for that Entitlement which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in CCU will also be diluted.
- If you are an Australian tax resident shareholder and you have not previously provided your TFN or ABN to CCU, you may wish to do so prior to the close of the Offer to ensure that withholding tax is not deducted from any Premium at the rate of 46.5%.

Section 4 Key Dates for the Offer

Timetable

Offer Event	Date
Announce Placement and Offer, securities quoted "cum" rights	Monday, 18 April 2011
Offer ex-date and Entitlement trading starts (deferred settlement basis)	Wednesday, 20 April 2011
Offer Record Date	Friday, 29 April 2011
Offer opens and Entitlements trade T+3 basis	Thursday, 5 May 2011
Entitlements trading ceases	Friday, 13 May 2011
Offer closes	Friday, 20 May 2011
Settlement of Offer Shares (including shortfall shares)	Friday, 27 May 2011
Allotment of Offer Shares	Tuesday, 31 May 2011
Trading of Offer Shares	Wednesday, 1 June 2011

The timetable above is indicative only and may be subject to change. All times are references to Australian Eastern Standard Time. CCU, in conjunction with the Underwriter, reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, CCU reserves the right to extend the Offer, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares. The commencement of quotation of Entitlements and New Shares is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares.

Section 5 Australian Taxation Considerations

The Directors do not consider it appropriate to give Shareholders advice regarding the tax consequences of subscribing for New Shares or trading in Entitlements. CCU, its advisers and its officers do not accept any responsibility or liability for any taxes payable by Shareholders in connection with the Offer.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares or trading in Entitlements.

Section 6 ASX Announcements

18 April 2011



ASX Release \$28M Equity Capital Raising

Highlights

- **\$15M Placement completed**
- **\$13M 1 for 10 Entitlement Offer**
- **First silver pour December 2011**

Cobar Consolidated Resources Limited (ASX:CCU) announced today a \$28 million equity capital raising by way of a private placement and Entitlement Offer.

The funds will be used for;

- development of the Wonawinta Silver Project
- further exploration activities including at Gundaroo and around Wonawinta and;
- working capital to commence operations

Placement

A private placement to institutional and sophisticated investors of 16.5 million shares at 91 cents per share to raise \$15 million has been completed. The placement was priced at a 5% discount to the Company's closing share price on 13 April. Settlement is expected to take place on 21 April 2011. Due to the strength of demand the placement was increased by 50% from an initial \$10 million to \$15 million.

A mix of Australian, Asian, European and North American institutions and sophisticated investors participated in the placement, which was heavily over-subscribed.

Entitlement Offer

The Company is also making a renounceable pro rata offer of new shares at an issue price of \$0.82 each on the basis of 1 new share for every 10 ordinary shares held. Under this offer, approximately 16 million new shares will be issued to raise \$13.4 million. The issue price of \$0.82 represents a 15% discount to the Company's closing share price on 13 April. The placement and Entitlement Offer are expected to raise \$27.2 million after costs.

Ord Minnett acted as Lead Manager and Underwriter to the placement and Entitlement Offer.

Managing Director Ian Lawrence said, "I am delighted to announce that we have completed a \$15 million placement. We welcome the new institutions, which include a number of specialist resource sector investors, who will join the register through the placement. The strength of demand for the placement is a great vote of confidence in the management group and the Wonawinta Silver Project. The additional funds raised will provide Cobar with flexibility in its capital management."

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

"We also recognise the support we have had from our existing shareholder base and encourage them to participate in the Entitlement Offer," he said.

"If the current silver price prevails for the life of the Wonawinta project we can expect to generate strong cash flows, pay dividends and pursue options for growth. We remain on track for first silver production in December 2011," said Mr Lawrence.

The timetable for the placement and entitlement offer is set out below.

Offer Event	Date
Announce placement and Offer, securities quoted "cum" rights	Monday, 18 April 2011
Offer ex-date and Entitlement trading starts (deferred settlement basis)	Wednesday, 20 April 2011
Offer Record Date	Friday, 29 April 2011
Offer opens and Entitlements trade T+3 basis	Thursday, 5 May 2011
Entitlements trading ceases	Friday, 13 May 2011
Offer closes	Friday, 20 May 2011
Settlement of Offer Shares (including shortfall shares)	Friday, 27 May 2011
Allotment of Offer Shares	Tuesday, 31 May 2011

Details of the Entitlement Offer will be contained in a letter to shareholders to be mailed on 19 April 2011. Offer documentation is expected to be mailed to shareholders on 4 May 2011. A shareholder information line will be opened tomorrow. Details will be contained in the Offer Booklet, which will be lodged today.

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 December 2011. Refer to the Company's previous announcements for details of the Wonawinta Silver Project.*



THE PATHWAY TO SILVER PRODUCTION



Capital Raising Presentation
April 2011

Transaction Overview



Cobar is undertaking an equity raising (Offer) to raise approximately \$24m. The Company may accept oversubscriptions

Proceeds of the Offer will:

- ▶ be used to fund the development of the Wonawinta mine and processing facility
- ▶ provide ongoing exploration funds and working capital
- ▶ fulfil a condition precedent in relation to drawing down the debt facility of \$22m

The Offer comprises a \$10.7 million placement at a price of \$0.91 per share and an underwritten 1:10 renounceable entitlements offer at \$0.82 per share to raise approximately \$13.0 million

Placement shares will be entitled to participate in the entitlement offer. It is anticipated that all eligible institutional shareholders who receive shares in the placement will subscribe for 100% of their entitlements under the entitlement offer

Investment highlights



- ▶ Wonawinta - high quality silver asset
 - 51Moz silver resource, 14Moz silver probable reserve
 - Near term reserve enhancement through additional drilling and flow-sheet development
 - Significant potential for resource additions
- ▶ Attractive project economics
 - First silver pour December 2011
 - 2.5Moz pa - 12.8Moz over 5 year mine life
 - Shallow free-digging open pit mining – modest strip ratio
 - Conventional CIL processing circuit
 - A\$10.20/oz cash cost – will reduce with lead by-product credit
 - Strong cash generation – capital payback less than 2 years at a silver price of A\$21, less than one year at current silver price
- ▶ A\$22M project finance facility terms agreed

Investment highlights



- ▶ Highly experienced team with proven project development record
- ▶ Timeline to production
 - Detailed design and engineering well advanced
 - Orders placed for long lead items
 - Development consent expected in May
 - On-site works to start in May
 - First silver pour December 2011
- ▶ Base metal potential at Gundaroo
- ▶ Silver price supported by demand/supply fundamentals

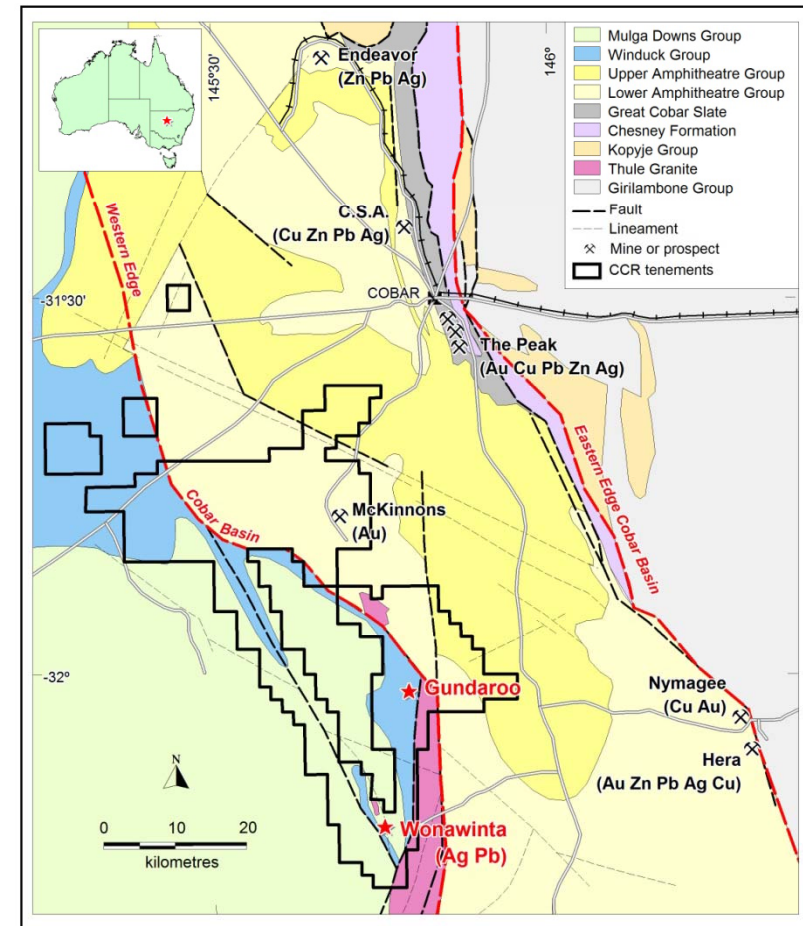
Project location



The Cobar region



- ▶ Copper discovered in 1870
- ▶ The region is host high grade, long life polymetallic deposits
- ▶ 4 world class mines in the district;
 - Endeavor mine, CBH Resources, (Zn, Pb, Ag)
 - CSA mine, Glencore, (Cu, Zn, Pb, Ag)
 - The Peak, NewGold, (Au, Cu)
 - Tritton Copper Mine, Straits Resources, (Cu, Au)
- ▶ Good infrastructure (road/rail)
- ▶ Experienced workforce
- ▶ Long-standing mining tradition
- ▶ CCR has 1,300km² tenement position



Cobar regional geology

A solid resource base



Resource	Mt	Grade		Contained metal		Au Eq
		Ag g/t	Pb %	Ag Moz	Pb '000t	'000oz
<i>Classification</i>						
Indicated	11.3	78.7	1.14	28.6	129	570
Inferred	10.6	64.6	0.78	22.0	83	440
Total	21.9	71.8	0.97	50.6	212	1,010

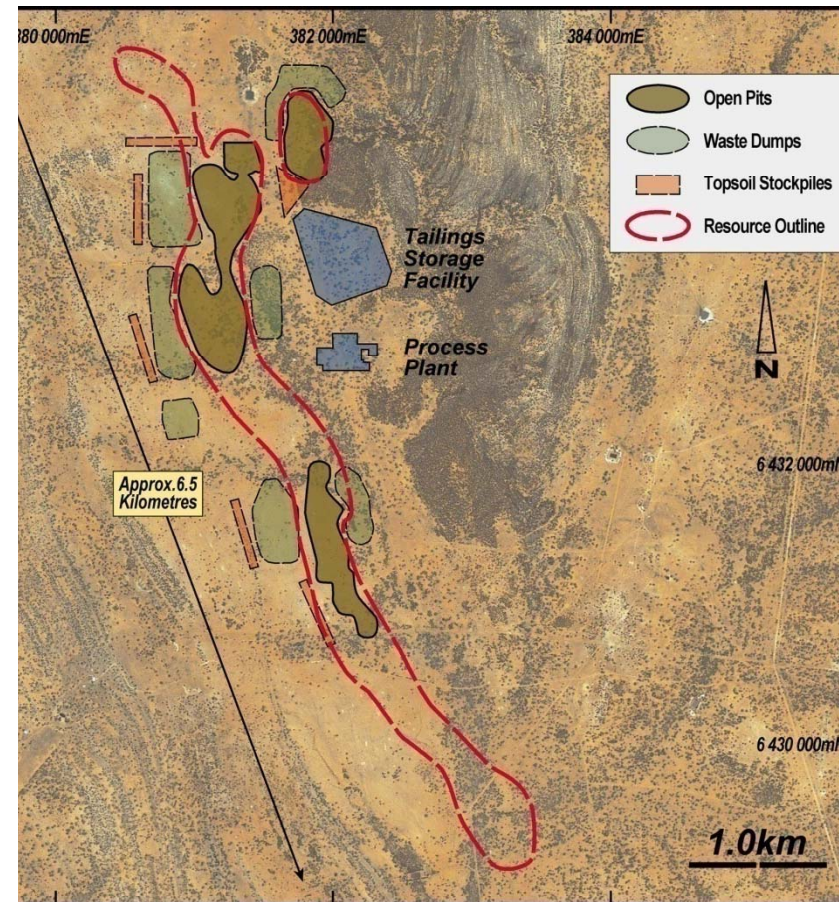
Reserve	Mt	Grade		Contained metal		Au Eq
		Ag g/t	Pb %	Ag Moz	Pb '000t	'000oz
<i>Classification</i>						
Probable	4.6	97	1.4	14.3	64	286

Au equivalent calculated at 50:1

Open-pit mining

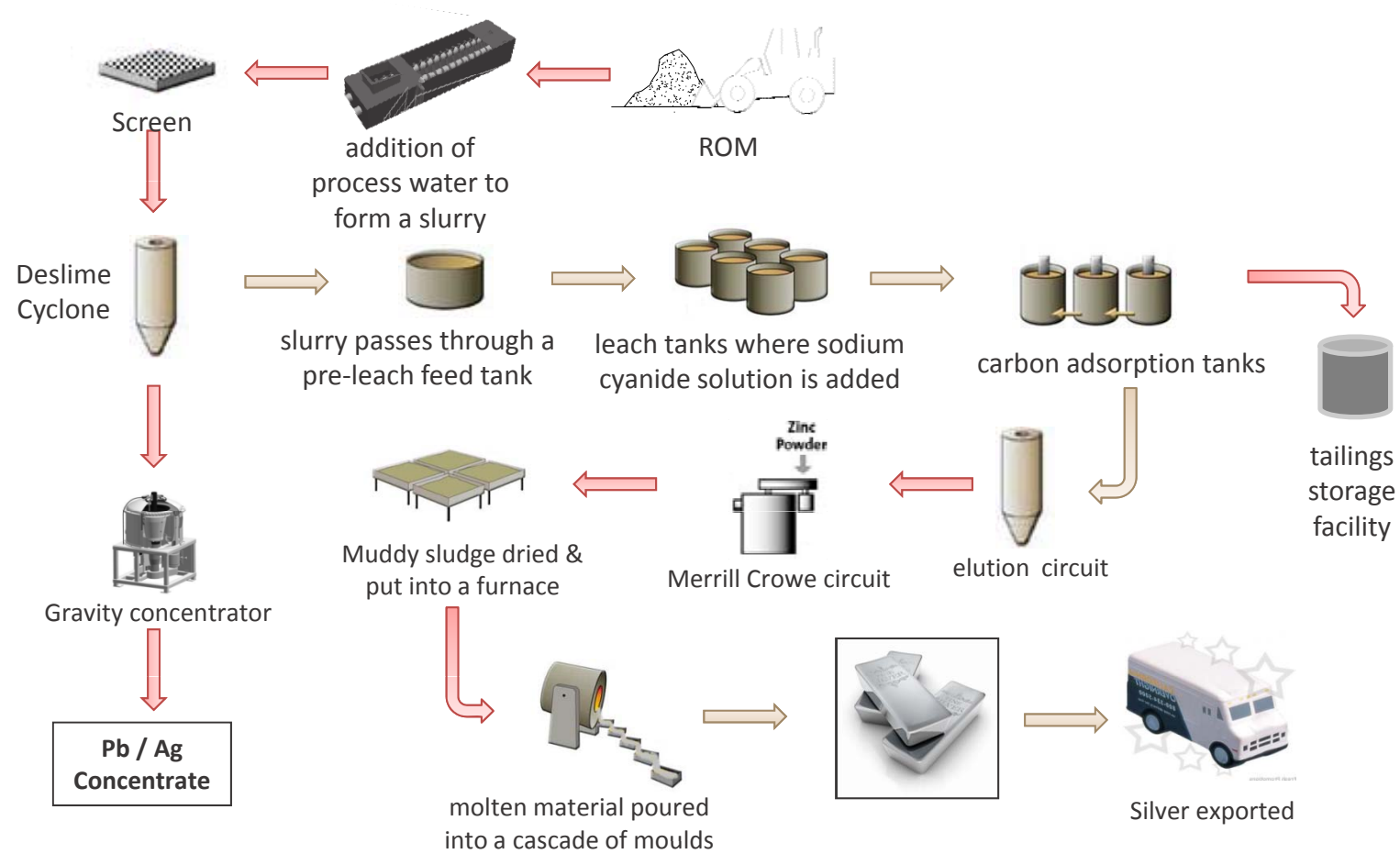


- ▶ A series of 4 shallow open pits, ~50m deep
- ▶ Free digging waste and ore
- ▶ 6.2:1 strip ratio
- ▶ Contract mining
- ▶ Pre strip to commence May 2011
- ▶ First ore to be produced by September 2011



Project area

Conventional processing

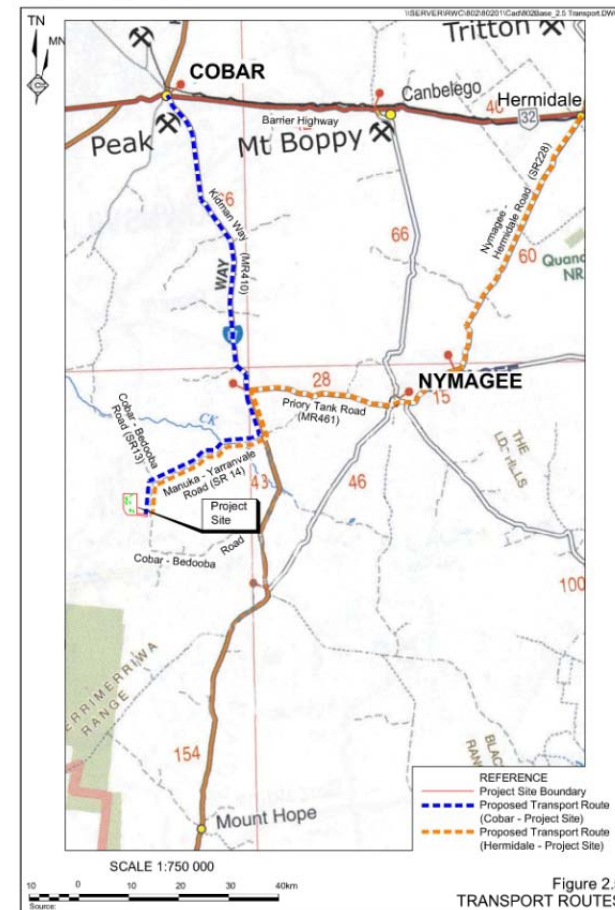


Infrastructure



- ▶ Water pipeline from McKinnons bore-field (50kms)
- ▶ Potential alternative water source at Mirabooka (14kms)
- ▶ Encouraging water flows adjacent to project site
- ▶ Moomba/Sydney gas pipeline nearby
 - Truck compressed gas to site
- ▶ On-site gas fired electricity generation
- ▶ Local workforce
- ▶ Regional road/rail infrastructure

COBAR CONSOLIDATED RESOURCES LIMITED - 7 - ENVIRONMENTAL IMPACT STATEMENT
Wonawinta Project Section 2: Project Description
Draft Report No.802/01 - August 2010



Permitting and approvals



- ▶ EIS lodged 20 December 2010
 - Submissions period has closed
- ▶ Government agencies have provided general terms of approval
- ▶ Cobar Shire preparing recommendation to Joint Regional Planning Panel (consent authority)
- ▶ Mining license application and mine operations plan submitted after development approval
- ▶ Option Agreement to purchase “Manuka” pastoral property

Financing



- ▶ Independent technical review completed
 - ▶ Feasibility study now bankable
- ▶ CBA and West LB to provide project loan and associated facilities
 - ▶ \$22M
 - ▶ 3 years
 - ▶ 30% hedging
- ▶ Equity raising

Project economics



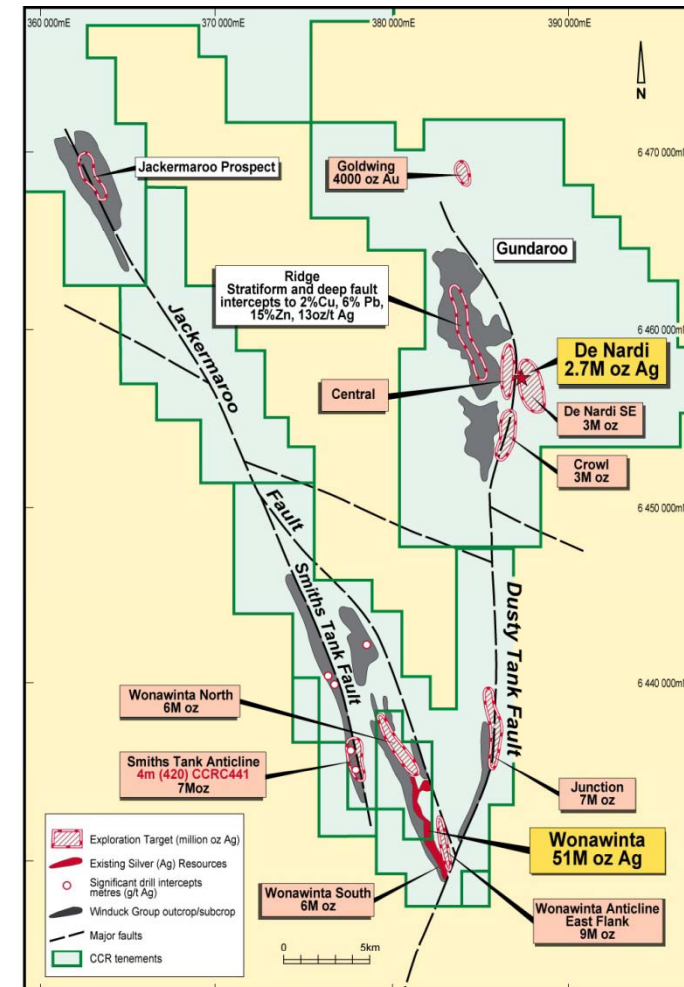
- ▶ 12.8Moz silver produced over 5 yrs (based on current Ag/Pb probable ore reserve)
- ▶ Capital cost less than \$30M
- ▶ Cash operating costs:
 - A\$10.20/Oz (no lead recovery)
 - A\$6.50/Oz (with lead recovery)
- ▶ 2 year payback at a silver price of A\$21, less than one year at current silver price
- ▶ Strong cash flows at current silver price (A\$38/oz)



Resource conversion



- ▶ 5 year mine life – based on mining current probable ore reserve (14Moz Ag)
- ▶ Strategies to increase reserves;
 - Upgrade oxide resource to reserve (20Moz target)
 - Flowsheet to treat sulphide resources (17Moz target)
 - Flowsheet to treat other resources – e.g. De Nardi prospect (2.7Moz resource)
 - Upside potential 40Moz
- ▶ Additional resource definition drilling underway

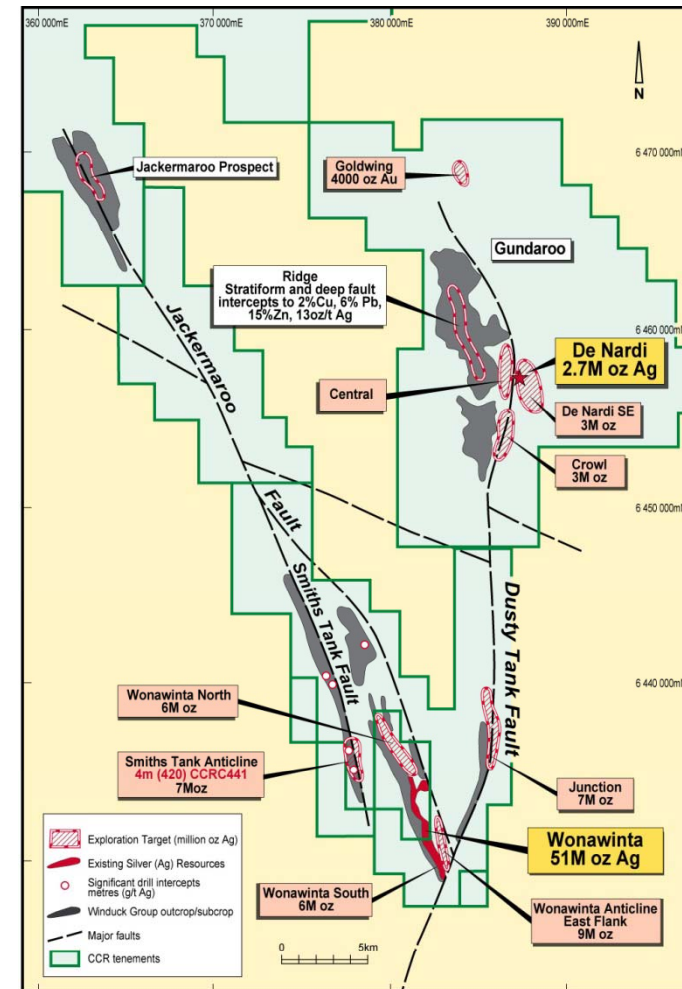


Regional exploration targets

Resource additions



- ▶ Strategies to increase resource base;
 - Oxide silver targets identified near mine and along fault structures
 - Geochemistry used to identify most prospective targets
 - Target estimates based on drill results, geochemistry and comparison with Wonawinta
 - Additional geochemistry to define targets
- ▶ Highly prospective base metal targets

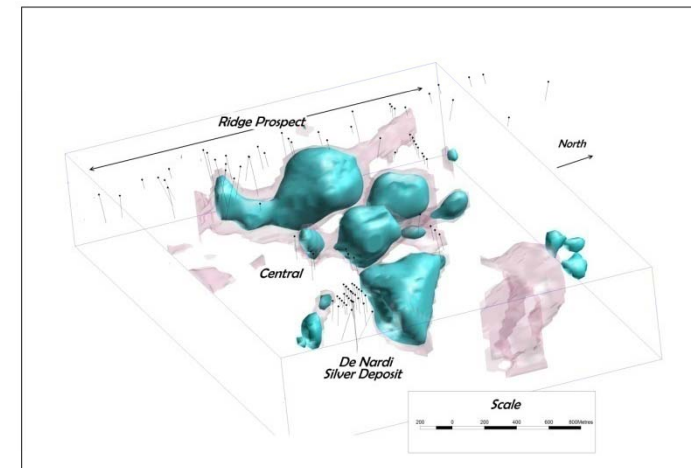
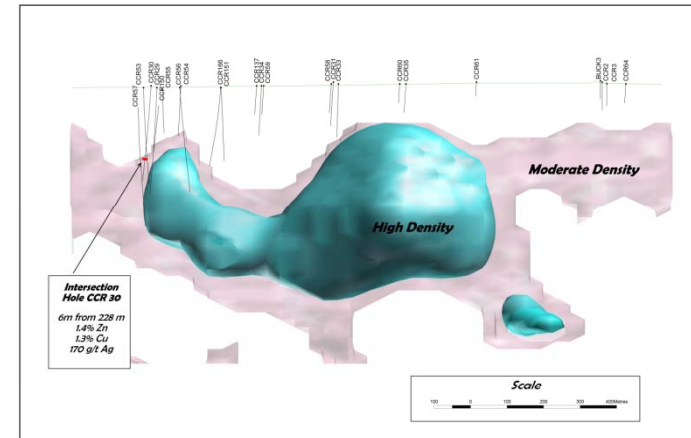


Regional exploration targets

Gundaroo gravity anomalies



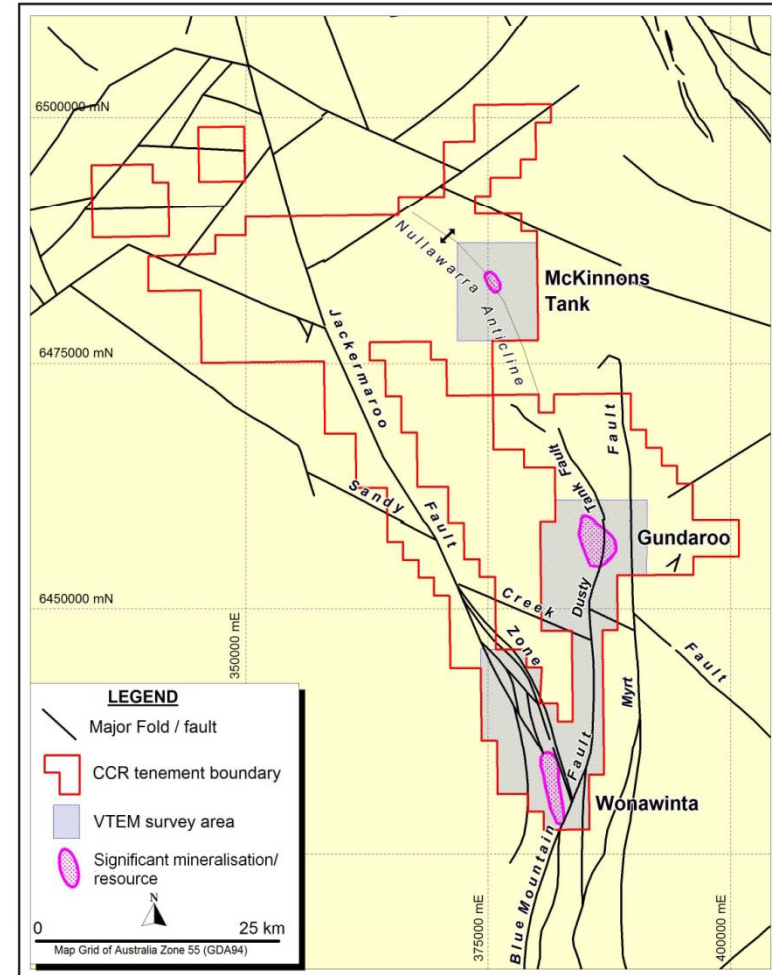
- ▶ New anomalies shown by 3D modeling
 - Based on 2007 survey data
 - 4km x 4km area
 - Modeled to 1,500m below surface
 - Denser rocks may be associated with mineralisation
 - Shallow gravity anomalies not tested by previous drilling



VTEM survey



- ▶ 2,000 line km VTEM survey
- ▶ Airborne geophysics to identify conductors to 200m below surface
- ▶ Will include Jackermaroo and Dusty Tank faults
- ▶ Results by April
- ▶ Prioritize drill targets



The Board



Dr Richard Mazzucchelli – Chairman

- +45 years experience, former Chief Geochemist WMC
- Associated with gold, nickel and base metal discoveries
- Has served as a director with a number of public companies



Ian Lawrence – Managing Director

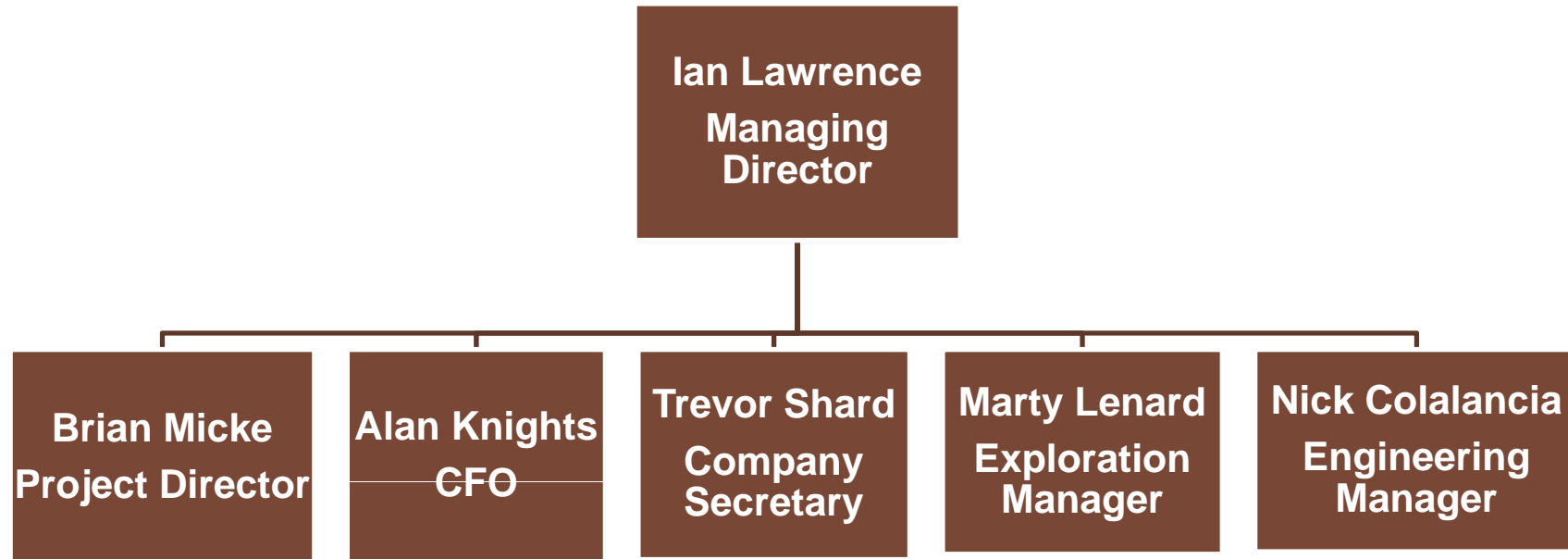
- +30 years experience, former senior executive WMC
- Director RMDSTEM Limited



Dr George Lefroy – Non-executive director

- +45 years experience, former Executive Vice President Shell Chemicals
- Manufacturing, technology, marketing and HR experience
- Director of SP AusNet and PT Chandra Asri

Management structure



Corporate profile



Key details

ASX: CCU (listed 2006)

Share price: \$0.96 (as at 13/04/11)

Market Cap: \$141M

Shares issued: 146.9M

Options issued: 7M

Cash balance: \$6M

Share register

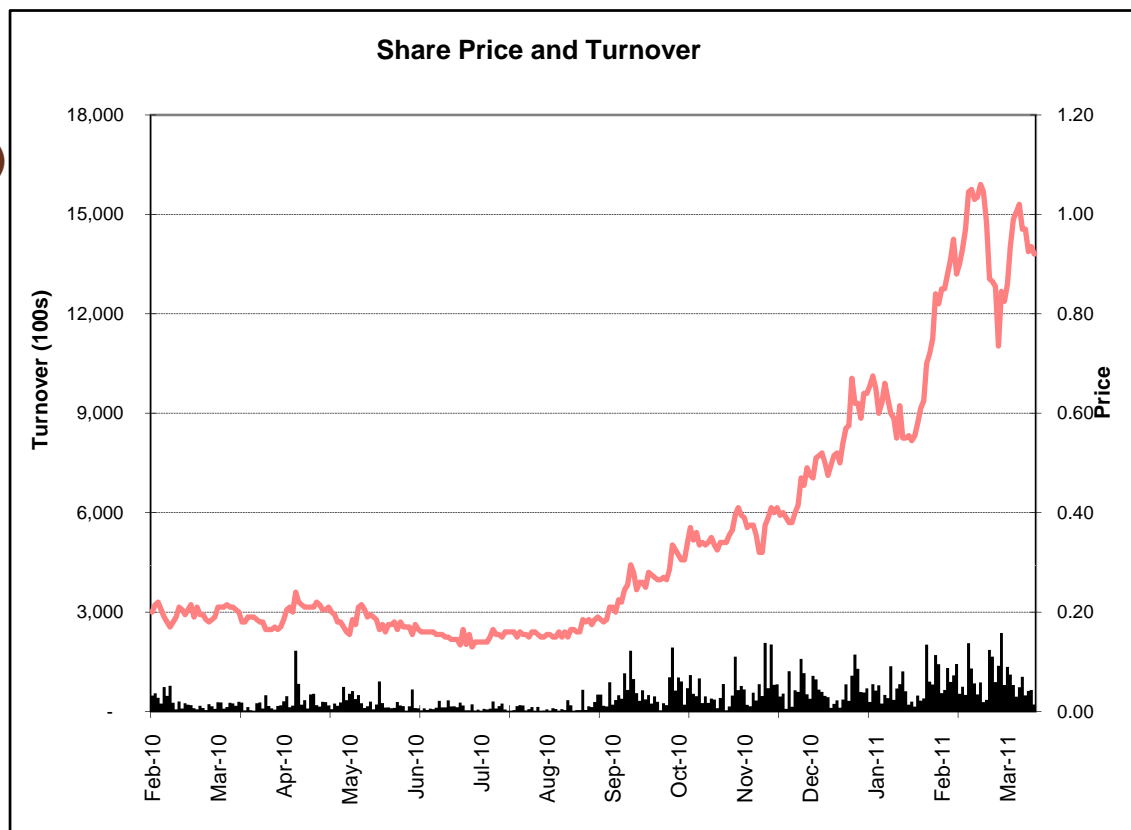
Board & Management 16%

Corporate 20%

Institutions 4%

Large shareholders 12%

Retail 48%



Source: The Age

Transaction Overview



Cobar is undertaking an equity raising (Offer) to raise approximately \$24m. The Company may accept oversubscriptions.

Proceeds of the Offer will:

- ▶ be used to fund the development of the Wonawinta mine and processing facility
- ▶ provide ongoing exploration funds and working capital
- ▶ fulfil a condition precedent in relation to drawing down the debt facility of \$22m

The Offer comprises a \$10.7 million placement at a price of \$0.91 per share and an underwritten 1:10 renounceable entitlements offer at \$0.82 per share to raise \$13.0 million

The placement will open at 12pm AEST on Thursday 14 April and is expected to close at 5pm AEST on Friday 15 April

Transaction Overview



The placement offer price of A\$0.91 represents a discount of 5% to the closing price on Wednesday 13 April of A\$0.96

The entitlement offer price of \$0.82 represents a discount of 15% to the closing price on Wednesday 13 April of A\$0.96

It is expected eligible institutions who participate in the placement will subscribe for 100% of their entitlements under the entitlement offer

Ord Minnett Limited is acting as Sole Lead Manager to the placement and Underwriter to the Entitlement Offer

Application of funds



Uses	A\$m
Project Capital	
Mining	\$4.2
Process plant	\$19.3
Infrastructure	\$5.4
	<hr/>
	\$28.9
Other (includes land purchase)	\$7.6
Pre production operating costs	\$4.6
CBH Royalty buy back	\$1.7
Corporate, working capital and exploration	\$3.7
Offer expenses	\$1.3
Total	<hr/> <hr/>
	\$47.8
	<hr/>
Sources	A\$m
Current cash balance	\$6.0
Equity raise (approximate)	\$23.7
Debt facility	\$22.0
	<hr/>
Total Sources	<hr/> <hr/>
	\$51.7
	<hr/>
Cash balance	<hr/> <hr/>
(post mine and processing plant completion)	\$3.9

Gross proceeds of approximately \$24m from the equity raising and the \$22m debt in conjunction with the existing cash balance of \$6m will provide Cobar with:

- sufficient funds to complete the mine and processing plant construction
- provide sufficient working capital to commence operations
- continue exploration activities at Gundaroo and around Wonawinta, and
- provide an approximate \$4m cash balance

Key risks



The key risks to which Cobar's shares are exposed do or may in the future include:

- ▶ Lower Australian dollar silver price either from a fall in the US dollar silver price and/or a rise in the value of the Australian dollar compared to the US dollar
- ▶ Variations to forecast production levels may arise from changed geological or mining conditions, regulatory changes such as adverse variations to environmental approvals, equipment failures or adverse weather impacts
- ▶ Adverse operating costs from either lower ore grades than expected and/or higher operating costs from input costs or changed mining conditions
- ▶ Lack of exploration success or ability to convert the company's current resource base and exploration targets into mineable reserves

Indicative timetable



Placement and Entitlement Offer Event	Date
Trading halt	Thursday, 14 April 2011
Institutional placement closes	Friday, 15 April 2011
Announce outcome of placement and Entitlement Offer, securities quoted "cum" rights	Monday, 18 April 2011
Entitlement Offer ex-date and rights trading starts (deferred settlement basis)	Wednesday, 20 April 2011
Settlement of placement shares	Thursday, 21 April 2011
Allotment of placement shares	Wednesday, 27 April 2011
Trading of placement shares	Thursday, 28 April 2011
Entitlement Offer record date	Friday, 29 April 2011
Entitlement Offer opens and rights trade T+3 basis	Thursday, 5 May 2011
Rights trading ceases	Friday, 13 May 2011
Entitlement Offer closes	Friday, 20 May 2011
Settlement of Entitlement Offer Shares (including shortfall shares)	Friday, 27 May 2011
Allotment and trading of Entitlement Offer shares	Wednesday, 1 June 2011

Subject to the Listing Rules, the Directors reserve the right to extend the Entitlement Offer Closing Date without prior notice and at their absolute discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue of New Shares under the Offer.

Disclaimer



Not financial product advice

This presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire shares in Cobar Consolidated Resources. The Information does not purport to contain all the information that the recipient may require to evaluate a possible acquisition of Securities in the Company and does not take into account the investment objectives, financial situation or needs of any particular investor. The recipient should conduct its own independent review, investigation and analysis of the Company and obtain any professional advice they require to evaluate the merits and risks of an investment in the Company, before making any investment decision based on their investment objectives

Not an offer

Despite anything stated in this notice or elsewhere in the Information, none of the Information (whether considered separately or together) constitutes an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any Securities in the Company. This presentation does not constitute a recommendation to subscribe for or purchase any security in any jurisdiction in which it would be unlawful and neither this presentation nor anything contained in it shall form the basis of any contract or commitment.

In particular, this presentation or any copy of it must not be taken to constitute an offer to sell or a solicitation of an offer to buy securities in the United States of America ("US") and must not be distributed or released to any US person or to any person acting for the account or benefit of a US person (within the meaning of the U.S. Securities Act of 1933) unless an exemption from registration is available under the US Securities Act of 1933. Persons who come into possession of this document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Disclaimer



The following information is indicative only in relation to some of the restrictions in other jurisdictions and must not be relied on by recipients. Recipients must seek their own legal advice in relation to the relevant jurisdiction.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than:

to "professional investors" (as defined in the SFO); or

in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Disclaimer



Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither Switzerland, this document nor any other offering material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

Disclaimer



United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA.). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated, and will only be communicated or caused to be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"); (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Disclaimer



Certain statements contained in this presentation, including information as to the future financial or operating performance of Cobar Consolidated Resources(ASX:CCU) and its projects, are forward looking statements. Such forward looking statements:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, operating costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cobar, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

Cobar disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words: “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward looking statements.

All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

The information to which this statement is attached that relates to exploration results is based on information compiled by Martin Lenard who is a Fellow of the Australasian Institute of Mining and Metallurgy. Martin Lenard is a full time employee of Cobar Consolidated Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves” (the “JORC Code”). Martin Lenard consents to the inclusion in this report of these matters based on the information in the form and context in which it appears.

BM Geological Services was engaged in October 2009 by Cobar Consolidated Resources Ltd, to prepare a mineral resource estimate for the Wonawinta silver-zinc-lead deposit in New South Wales. A W Bewsher, Senior Geologist, prepared this report.

The mineral resource estimates in this report have been classified and reported in accordance with the JORC Code. The following statement is made in accordance with Clause 8 of the JORC Code:

The information in this report that relates to mineral resources is based on information compiled by A W Bewsher, who is a Member of The Australian Institute of Geoscientists.

A W Bewsher is a full-time employee of BM Geological Services, and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to mineral resource estimation processes to qualify as a Competent Person as defined in the JORC Code. A W Bewsher consents to and has provided his prior written consent to the inclusion in this report of these matters based on the documentation in the form and in the context in which it appears.

Section 7 Important Information

7.1 This Booklet is not a disclosure document

This Booklet is not a disclosure statement and it does not contain all of the information that an investor would find in a disclosure document or which may be required to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Booklet. It has not been and will not be lodged with ASIC.

Neither ASIC nor ASX or their respective officers takes any responsibility for the content of this Booklet or for the merits of the investment to which this Offer relates.

7.2 Trading of Entitlements and New Shares

It is expected that trading of Entitlements on ASX will commence on 20 April 2011 until 13 May 2011. Following this, it is expected that trading on ASX of New Shares to be issued under the Offer will commence on 1 June 2011 on a normal settlement basis.

CCU will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by CCU or the CCU Share Registry or otherwise or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

CCU will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by CCU or the CCU Share Registry or otherwise or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker or other professional adviser.

7.3 Eligible Shareholders

Eligible Shareholders are Shareholders who are not prohibited from receiving and/or accepting any Offer in the relevant jurisdiction (see Important Information under the heading "Foreign Shareholders").

7.4 Foreign Shareholders

This Offer is made only to Shareholders with a registered address in Australia or New Zealand or such other place in which, or to any person to whom, it would be lawful to make such an offer.

CCU is of the view that it is unreasonable to make the Offer to other overseas Shareholders (**Foreign Shareholders**) having regard to:

- the number of Foreign Shareholders;
- the number and value of New Shares that would be offered to Foreign Shareholders; and
- the cost of complying with overseas legal requirements.

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. CCU is not required to make offers under this Offer to Foreign Shareholders. Where this Offer has been despatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code and/or legislation prohibits or restricts in any way the making of the offers contemplated by this Offer, this Offer is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Offer does not breach regulations in the relevant overseas jurisdiction.

Return of a duly completed Entitlement and Acceptance Form will be taken by CCU to constitute a representation that there has been no breach of such regulations.

The Offer contained in this Booklet is to Shareholders with registered addresses in New Zealand is made in reliance on the Security Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not Shareholders on the Record Date are not entitled to apply for any New Shares.

7.5 Ranking of New Shares

New Shares issued under the Offer will rank equally with existing Shares.

7.6 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

7.7 Not Investment advice

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Offer, you should contact your stockbroker, accountant or other professional adviser or call the CCU Offer Information Line on 1300 880 751 (within Australia) or +61 2 8280 7503 (outside Australia) between 8.30am and 5.30pm (AEST), Monday to Friday, until 20 May 2011.

7.8 Financial data

Unless otherwise stated, all dollar values in this Booklet are in Australian dollars.

7.9 Information availability

If you are in Australia or New Zealand, you can obtain a copy of this Booklet during the Offer Period on CCU's website www.ccrlimited.com.au or by calling the CCU Offer Information Line on 1300 880 751 (within Australia) or +61 2 8280 7503 (outside Australia) between 8.30am and 5.30pm (AEST), Monday to Friday, until 20 May 2011.

If you access the electronic version of this Booklet you should ensure that you download and read the entire Booklet. The electronic version of this Booklet on the CCU website will not include an Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be requested by calling the CCU Offer Information Line.

7.10 Underwriting of the Offer

CCU has entered into an underwriting agreement (Underwriting Agreement) with Ord Minnett (the Underwriters) who have agreed to manage and underwrite the Offer. As is customary with these types of arrangements:

- CCU has agreed to indemnify the Underwriters, their affiliates or related bodies corporate and their directors, officers, employees and agents and advisers against losses they may suffer or incur in connection with the Offer;
- CCU and the Underwriters have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Offer;
- the Underwriters may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting

Agreement by notice to CCU within a reasonable period after the Underwriter becomes aware of the happening of any of the following events:

- (a) "a statement contained in the Offer Documents is misleading or deceptive in a material respect, the Offer Documents are defective (having regard, among other things, to the provisions of Sections 708AA(7) and 708AA(11) of the Corporations Act) or the issue of the Offer Documents is misleading or deceptive in a material respect;*
- (b) any adverse change occurs in the assets, liabilities, financial position and performance, profits, losses or prospects of the Issuer and the Group (insofar as the position in relation to an entity in the Group will or may affect the overall position of the Issuer) including any adverse change in the assets, liabilities, financial position and performance, profits, losses or prospects of the Group from those disclosed in the Public Information as at the date of this Agreement;*
- (c) the S&P/ASX All Ordinaries Index decreases to a level that is at least 10% below the level of that Index as at the close of trading on the date of this Agreement at any time before the Shortfall Payment Date or is below that level at the close of trading on ASX on the Shortfall Payment Date;*

- (d) *the COMEX Silver spot price decreases to a level that is the higher of US\$36 or at least 10% below the level of that spot price as at the close of trading on the date of this Agreement at any time before Shortfall Payment Date or is below that level at 5.00 pm on the Shortfall Payment Date;*
- (e) *there is introduced or there is announced a proposal to introduce into the Parliament of Australia or any State of Australia a new law or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt a new policy, any of which does or is likely to prohibit or regulate the principal business of the Issuer, the Offer, capital issues generally or stock markets generally;*
- (f) *there occurs a contravention by the Issuer [or any entity in the Group] of the Corporations Act, its constitution or any of the Listing Rules;*
- (g) *an Insolvency Event occurs in relation to the Issuer or the Group;*
- (h) *approval to the official quotation of all of the Offer Shares on the ASX is refused, withdrawn or qualified on a basis which the Underwriter reasonably considers unacceptable before Completion;*
- (i) *an outbreak of new hostilities or a state of war, whether declared or not, arises after the date of this agreement, or an escalation of hostilities already in existence occurs, involving, or a terrorist act is threatened or carried out after the date of this agreement in or against any diplomatic, military, commercial or political institution, establishment, body or personnel of:*
 - (i) *Australia;*
 - (ii) *Indonesia;*
 - (iii) *Japan;*
 - (iv) *any member country of the European Union;*
 - (v) *the United States of America;*
 - (vi) *Mexico;*
 - (vii) *Russia;*
 - (viii) *Peoples' Republic of China;*
 - (ix) *New Zealand;*
 - (x) *Taiwan;*
 - (xi) *Singapore; or*
 - (xii) *Malaysia,*
- (j) *ASIC issues an order or indicates an intention to hold a hearing arising out of or in connection with the Offer or ASIC commences an examination of any person or requires any person to produce documents arising out of or in connection with the Offer or the Issuer under Sections 19 or 30 to 33 of the Australian Securities and Investments Commission Act;*
- (k) *an application is made by ASIC for an order under Section 1324B of the Corporations Act in relation to the Offer;*
- (l) *at any time after the date of this Agreement an event occurs in relation to the Issuer or the Group (in so far as the position in relation to an entity in the Group will or may affect the overall position of the Issuer), as set out in Sections 652C(1) and (2) of the Corporations Act as if references in those sections to "the target" were references to the Issuer;*
- (m) *at any time after the date of this Agreement the Issuer withdraws the Offer Documents;*
- (n) *any litigation, arbitration or other legal proceeding is commenced against any entity in the Group;*
- (o) *there is a default by the Issuer in the performance of any of its material obligations under this Agreement including under Clause [insert] (the Obligation to make the Offer); or*
- (p) *a representation or warranty made or given or deemed to have been made or given by the Issuer under this Agreement proving to have been untrue or incorrect in any material respect and the matters rendering the representation or warranty untrue in such respect are not remedied to the satisfaction of the Underwriter prior to the issue of the Shortfall Notice."*

The Underwriters will be paid an underwriting and offer management fee of 4.00% (plus GST) of the Offer and Placement proceeds by CCU for providing these services and will be reimbursed for certain expenses.

7.11 Shortfall Bookbuild

The Underwriter has agreed to arrange for New Shares equal in number to Entitlements which are not taken up by close of the Offer to be sold to eligible institutional investors through a bookbuild. However, it is important to note that Underwriters will be acting for and providing services to CCU in this process and will not be acting for, or providing services to, Shareholders. The engagement of the Underwriters by CCU is not intended to create any agency or other relationship between the Underwriters and the Shareholders.

7.12 Expenses of the Offer

Expenses connected with the Offer are being borne by CCU. The approximate expenses of the Offer including legal fees, registry fees, printing fees and other general costs are estimated to be \$100,000 (exclusive of GST).

7.13 Governing law

This Information, the Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

7.14 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by CCU, or its related bodies corporate, in connection with the Offer.

Except as required by law, and only to the extent so required, none of CCU, nor any other person, warrants or guarantees the future performance of CCU or any return on any investment made pursuant to this Information or its content.

7.15 Withdrawal of the Offer

CCU reserves the right to withdraw all or part of the Offer and this Information at any time, subject to applicable laws, in which case CCU will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest

Section 8 Glossary

AEST	means Australian Eastern Standard Time
Application Monies	means the monies received from applicants for New Shares in accordance with this Booklet
ASIC	means the Australian Securities and Investments Commission.
ASX	means the ASX Limited (ABN 98 008 624 691)
ASX Information	means the information contained in Section 7 of this Booklet
ASX Listing Rules Booklet	means the listing rules of ASX
	means this document including the Entitlement and Acceptance Form and any supplementary or replacement Booklet or offer document in relation to the document
Business Day	means a day on which ASX is open for trading.
Closing Date	means 20 May 2011, which is subject to change at the discretion of CCU
Corporations Act	means the Corporations Act 2001 (Cth)
Directors	means the directors of CCU
Eligible Shareholder	means a person who is a Shareholder at 5.00pm (AEST) on the Record Date who is not a Foreign Shareholder
Entitlement	means the renounceable right of an Eligible Shareholder to subscribe for New Shares under the Offer
Entitlement and Acceptance Form	means the personalised form attached to or accompanying this Booklet
Existing Shares	means Shares on issue immediately before the Record Date
Foreign Shareholder	means a Shareholder described in Section 7.4
GST	means goods and services tax
Information	means this Booklet and the ASX Announcements
Issue Price	means the issue price of \$0.82 per New Share
New Shares	means the Shares offered under this Booklet
Offer	means the offer of Entitlements to New Shares under this Booklet
Offer Period	means the period starting on the despatch of this Booklet and ending at 5.00pm on the Closing Date
Opening Date	means 5 May 2011
Placement	means the placement detail in Section 2
Premium	means any of the amount paid by applicants who apply for New Shares under the Shortfall Bookbuild in excess of the Issue Price if any. For the avoidance of doubt this may be zero.
Record Date	means the date for determining Entitlements under the Offer, being 29 April 2011
Rights Issue	means the issue of New Shares upon receipt of valid acceptances under the Rights Offer
Shares	means ordinary shares in CCU
Shareholder	means a holder of Shares
Share Registry or CCU Share Registry	means Link Market Services Limited
Shortfall	means the shortfall in applications for New Shares under the Offer (if any)
Shortfall Bookbuild	means that bookbuild undertaken by the Underwriter described in Section 7.11
Underwriter	means Ord Minnett Limited
Underwriting Agreement	means the underwriting Agreement referred to in Section 7.10

Corporate Directory

Cobar Consolidated Resources Limited

Level 4
448 St Kilda Road
Melbourne Victoria 3004

PO Box 7693
St Kilda Road VIC 8004
Tel: +61 3 9866 8613
Fax: +61 3 9820 2586
Website: www.ccrlimited.com.au

ASX Code: CCU

Lead Manager and Underwriter

Ord Minnett Limited
Level 8
255 George Street
Sydney NSW 2000

PO Box 2613
Sydney NSW 2001
Tel: +61 2 8216 6300
Website: www.ords.com.au

Share Registry

Link Market Services
Locked Bag A14
Sydney South NSW 1235
Tel: 1300 554 474
Fax: +61 2 9287 0303
Website: www.linkmarketservices.com.au

CCU Offer Information Line

1300 880 751