

ASX Release

19 August 2013

Asset Impairment



Highlights

- Asset impairment flagged

Cobar Consolidated Resources (ASX:CCU) announced today that a preliminary review has been undertaken of the carrying value of the Company's principal asset, the Wonawinta Silver Mine, in response to the recent fall in the silver price.

The assessment of the carrying value of the asset is subject to a final review by the Board when the year-end financial report is considered but on the basis of current indicative valuations, it is likely that Cobar will report a write-down in the carrying value of the asset in the range \$28M to \$33M.

The asset impairment is principally due to the following:

- Lower than forecast silver prices following a fall from A\$29/oz in January 2013 to the current price around A\$25/oz.
- Higher asset value as a result of capitalisation of net operating costs during the longer than planned commissioning phase of the project.

The silver price at 28 June 2013 was US\$19/oz (A\$21).

The Company expects to release its full year results on 13 September 2013.

About CCR

Cobar Consolidated Resources is the owner and operator of the Wonawinta Silver Mine in western New South Wales. The Company also has a large tenement position on the western margin of the Cobar basin in western New South Wales, which is prospective for discovery of gold, silver, copper lead and zinc.

ASX Code

CCU

Issued capital

329,642,123 shares
2,570,963 options
4,733,138 performance rights
539,015 employee shares (subject to holding lock)

Board

John Dreyer
(Non-executive Chairman)
Gary Armor
(Non-executive Director)
George Lefroy
(Non-executive Director)
Richard Mazzucchelli
(Non-executive Director)

Management

Paul Bibby
(Acting Chief Executive Officer)

Investor enquiries

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