



## ASX Announcement

### Aus Tin Mining Limited (ASX:ANW)

31 March 2017

### Exploration and Operations Update

#### Highlights

- **Historical inferred resources for nickel & cobalt proximate to Mt Cobalt to be reassessed**
- **Granville plant modifications completed and processing of ore re-commenced; public exhibition period for Granville Expansion Development Application complete**
- **Development Application for Taronga Stage 1 Project submitted**

The Directors of Aus Tin Mining Limited (the **Company**) are pleased to provide an exploration update for Mt Cobalt, development update for the Taronga Tin Project and operational update for the Granville Tin Project.

#### **Mt Cobalt (Qld)**

In late 2016 the Company completed a drilling program of nine holes at Mt Cobalt (EPM 19366) targeting cobalt enriched asbolite within a lateritic cover (results included 7m at 0.84%Co & 0.83%Ni from 29m depth<sup>1</sup>). The Company intends a resumption of field activities at Mt Cobalt in the coming quarter, but in the interim, the Company has reviewed additional exploration data for Pembroke and the Ridley / Jackson prospects also located within EPM 19366 (**Figure 1**). The Ridley and Jackson North prospects located 3km south east of Mt Cobalt comprise an anomalous nickel-cobalt lateritic cover thought to overlay a possible nickel sulphide target similar to Mt Cobalt. Drilling was completed at Ridley and Jackson North in 2006 by the Company and inferred resource estimates were previously reported for Ridley (580,000 tonnes @ 0.9%Ni, 0.08%Co)<sup>2</sup> and Jackson North (220,000tonnes @ 0.8%Ni, 0.05%Co)<sup>2</sup>. Both resources were considered small when compared with economic laterite nickel projects of the time and little work has subsequently been undertaken. However, a re-review of drilling data from the 1970s has identified intersections with cobalt grades greater than the 14m @ 0.1%Co, 1.12%Ni from surface as previously reported by the Company<sup>2</sup>. In light of the incidence of asbolite at Mt Cobalt to the northwest, further work is being undertaken to evaluate the potential for higher grade zones within these two prospects.

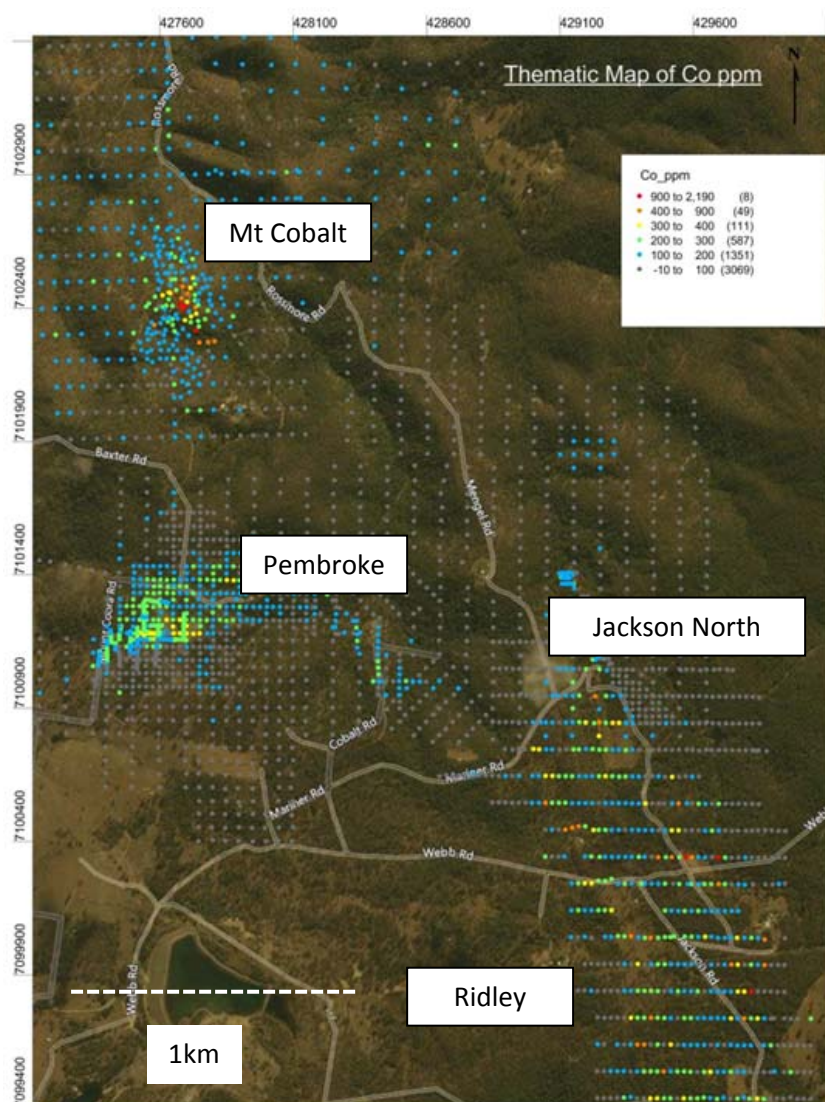
Pembroke is a nickel-copper sulphide target located approximately 1km south of Mt Cobalt. Previous soil sampling has highlighted an area of anomalous cobalt assay results (**Figure 1**), and review of assay results from previous drilling has identified occurrences of higher grade mineralisation (eg. PEMD004; 2m @ 0.10%Co, 0.61%Cu, 0.35g/t Au & 1.77%Ni from 70m)<sup>3</sup> and will be investigated further.

<sup>1</sup> Refer ASX release 23 November 2016

<sup>2</sup> Refer AusNiCo Limited Replacement Prospectus 4 August 2010

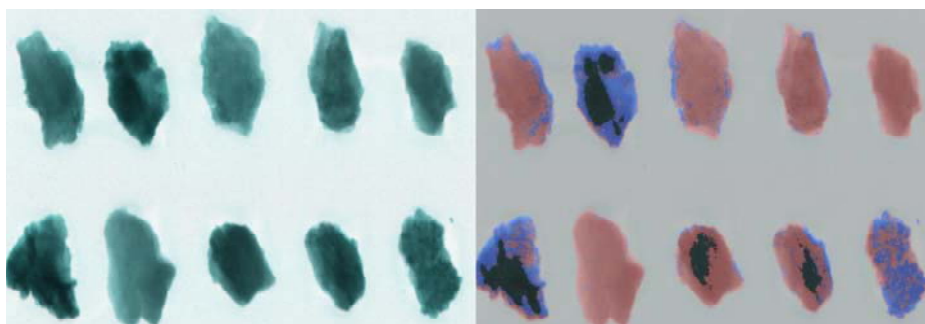
<sup>3</sup> Refer ASX Release 30 April 2015

Mt Cobalt, Ridley, Jackson North and Pembroke form part of a broader trend of mineralisation over a 30km belt of nickel bearing ultrabasic rocks between Mt Mia on the Black Snake Plateau and Mt Mudlo area north of Kilkivan.



**Figure 1 – Soil samples for Mt Cobalt to Ridley within EPM 19366 (Co ppm)**

The Company has also received a preliminary report from Tomra Sorting Pty Ltd (**Tomra**) on the amenability of the Mt Cobalt material to “ore-sorting” by X-Ray Transmission (XRT). Testing samples of various grades and thicknesses, Tomra have indicated their DE-XRT technology was easily able to distinguish high grade material from the waste. There was a strong relationship between sample grade and density indicating a particular material’s amenability to XRT sensors.



**Figure 2 – DE-XRT image (left) and classified image (right) differentiating high grade sample (blue/black) and low grade sample (red)**

## Granville Tin Project (TAS)

A program of capital works to treat Run of Mine ore (**ROM**) at the Granville Processing Plant was completed in late February 2017 and commissioning is progressing for the new gravity circuits (circular jig and Alicoco spiral) and expanded flotation circuit. The recovery of finer (-1.1mm) tin from the circular jig has been lower than expected which has detrimentally impacted production. With the support of industry experts, the jig operation is being evaluated and a series of modifications scheduled for the coming fortnight. The Company is working with Traxys to determine details for an initial shipment and a further update will be provided during April.

Chief Executive Officer, Peter Williams who is an experienced metallurgist said *“the loss of finer more-liberated tin across the jig is unexpected given that coarser composite mineral is generally more difficult to recover. Once the issue of recovering of this finer fraction is resolved tin production is expected to increase substantially”*.

Concurrently the Company is progressing approvals for the Granville Expansion which contemplates a resumption of mining at the high grade open cut pit and an increase in concentrate production rate to an equivalent 550 tonnes of contained tin per annum. The public exhibition period for the Development Application closed on 24 March 2017 and the Company has been advised that no public representations were received. EPA Tasmania is currently undertaking its final assessment of the Development Proposal and Environmental Management Plan (DPEMP), and subject to their approval, the Development Application will then be considered for approval by the West Coast Council. The Company has commenced discussions with potential contractors for civil works, mining, crushing and haulage.



Figure 3(a) to (d) – Images from the Granville Tin Project

## Taronga Tin Project (NSW)

The Company is proposing to develop a trial mine and pilot processing plant at the Taronga Tin Project and recently submitted a Development Application to the Glen Innes Severn Council (GISC) for the Taronga Stage 1 Development. The Development Application was the culmination of almost two years work including community consultation and external consultant's reports. The Development Application is currently open for public exhibition and will be assessed by the GISC in conjunction with NSW Environment Protection Authority. GISC Mayor, Steve Toms, said of the application "*the trial mine and pilot processing plant will allow the evaluation of the resources' potential, which if positive, will be an exciting prospect for the future of Emmaville and our area.*"

## Commodity Prices

The forecast for both tin and cobalt prices remain positive underpinned by growing demand and supply constraints. Year to date the US Dollar tin price has ranged between US\$18,760/t and US\$22,225/t, but recently rose back over US\$20,000/t on the back of declining LME stocks (down 36 percent over past month to 3,565 tonnes). The US Dollar cobalt price continues to perform strongly rising 65 percent since the start of the year to US\$54,750/t. Both commodities are integral to energy generation and storage applications.

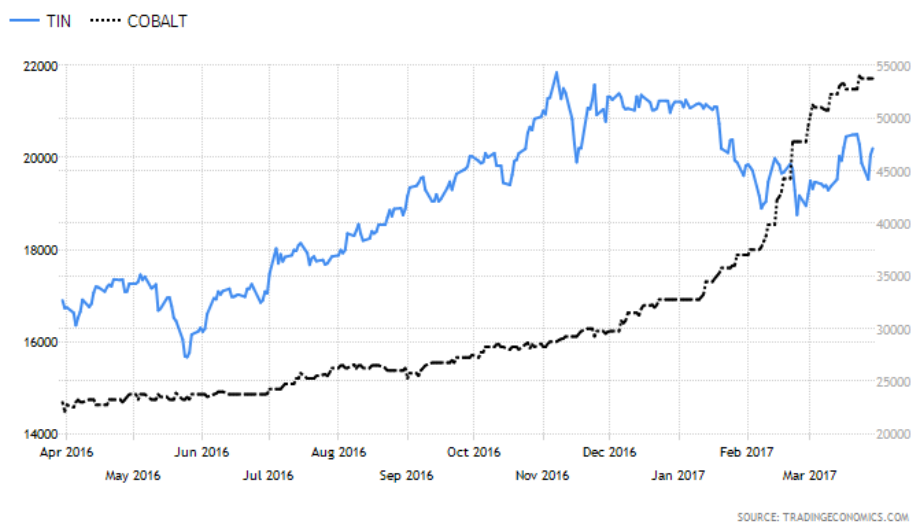


Figure 4 – 12 month US Dollar tin and cobalt prices

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Electronic copies and more information are available on the Company website: [www.austinmining.com.au](http://www.austinmining.com.au)

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## About Aus Tin Mining (the Company)

Aus Tin Mining Limited (ASX: ANW) has a vision to become a major Australian tin producer. The Company has recommenced production at the high grade Granville Tin Project located north of Zeehan (TAS). Subject to regulatory approvals, the Company intends to expand the Granville Tin Project and undertake exploration to extend the Life of Mine. The Company is also developing the world class Taronga Tin Project located near Emmaville (NSW). The Company defined and announced its maiden JORC compliant resource for the Taronga Tin Project in late 2013, and testwork and exploration activities on site have revealed potential credits for copper, silver, tungsten, molybdenum, lithium and rubidium. Highly prospective regional targets have also been established within the Company's broader tenement footprint, and within trucking distance of the proposed processing site at Taronga. Plans for a staged development of the Taronga Tin Project are in formation, together with the associated approvals processes.

The Company also maintains an active exploration program. The Company holds a portfolio of exploration licenses prospective for nickel, cobalt and copper (Kilkivan QLD); and tin, copper, silver, tungsten and lithium (Torrington NSW) and nickel (TAS).

### Forward Looking Statement

This announcement may contain certain statements and projections provided by or on behalf of Aus Tin Mining Limited (Aus Tin Mining) with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Aus Tin Mining. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of Aus Tin Mining which could cause actual results or trends to differ materially, including but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, native title and aboriginal heritage issues, dependence on key personnel, share price volatility, approvals and cost estimates. Accordingly, there can be no assurance that such statements and projections will be realised. Aus Tin Mining makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

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### COMPETENT PERSON STATEMENT

The information in this presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of Aus Tin Mining. Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

The information in this Announcement that relates to Mineral Resources is based on information extracted from the report entitled "Maiden JORC Resource Estimated for the Taronga Tin Project" created on 26<sup>th</sup> August 2013 and is available to view on [www.austinmining.com.au](http://www.austinmining.com.au). Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In the information in this Announcement that relates to Ore Reserves is based on information extracted from the report entitled "Pre-Feasibility Advances the Taronga Tin Project" created on 7<sup>th</sup> April 2014 and is available to view on [www.austinmining.com.au](http://www.austinmining.com.au). Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.