



ASX Release: 30 April 2018

## Quarterly Activities Report - Period Ended 31 March 2018

Aus Tin Mining Ltd  
("the Company")

ASX CODE: ANW

### At Time of Publication

#### Shares on Issue

1,963 million

#### Unlisted Options

168 million (@ \$0.02)

#### Market Capitalisation

\$35M (at \$0.018/share)

#### DIRECTORS

Brian Moller (Chairman)  
Nick Mather  
John Bovard  
Richard Willson

#### CHIEF EXECUTIVE OFFICER

Peter Williams

#### COMPANY SECRETARY

Karl Schlobohm

#### CONTACT DETAILS

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### HIGHLIGHTS

- Granville Expansion (Level 2) works commenced post end-of-quarter
- Pre-construction work for Taronga Stage 1 Project progressed
- High cobalt grade drilling results reported for Mt Cobalt
- Convertible security repaid and replaced with new facility on superior terms

### REVIEW OF ACTIVITIES - SUMMARY

#### Granville Tin Project

During the quarter the Company completed Level 1 operations, finalised the 2017 trial shipment of concentrate to Traxys and installed new plant in preparation for Level 2 operations. Subsequent to the end of the quarter the Company commenced construction of Level 2 infrastructure.

#### Taronga Tin Project

During the quarter the Company received formal notification of approvals for the Stage 1 Project, progressed pre-construction work for the Stage 1 Project and submitted the Mining Lease Application.

#### Mt Cobalt

During the quarter the Company reported high cobalt grade drilling results for Mt Cobalt, including:

- COB 029 - 28.15m hole @ 0.29%Co, 2.36%Mn & 0.73%Ni
- COB 030 – averaged 0.32%Co, 0.62%Ni over 25m of assayed intervals

The results confirmed the occurrence of high grade enriched cobalt-manganese shear hosted mineralisation within a broader lower grade oxidised serpentinite zone, and provided the basis for a target zone 350m long x 25m wide and open at depth and down dip to the west. Subsequent field reconnaissance located historic workings and serpentinite host rock approximately 190m south of the target zone.

#### Corporate

During the quarter the Company repaid the original Lind convertible security and subsequent to the end of the quarter executed a new convertible security with Lind on superior terms, notably a fixed conversion price of \$0.035 per share for the first 10 months.

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## MARCH QUARTER 2018 ACTIVITIES

### Granville Tin Project (TAS)

During the quarter the Company completed Level 1 operations, finalised the 2017 trial shipment of concentrate to Traxys and installed new plant in preparation for Level 2 operations. Subsequent to the end of the quarter the Company commenced construction of Level 2 infrastructure.

The Company completed processing available stockpiles available under the Level 1 permit during the previous quarter, and during the March 2018 quarter, a quantity of pre-concentrate and middlings was dressed, with the resulting concentrates to be sold in conjunction with initial Level 2 production for shipments of 20 tonne lots. During the quarter the Company confirmed the acceptability of the tin concentrate to the receiving smelter and finalised the commercial terms of the 2017 trial shipment with Traxys. The trial shipment was considered successful with a minor difference in tin grade (final 61% vs provisional 62.7%) and key penalty elements below contractual limits. Post end of the quarter Traxys have confirmed they will provide updated off-take terms for Level 2 production.

During the quarter the Company installed additional gravity separation (spirals) capacity targeting increased tin recovery and a limited trial of the new circuit achieved a tin recovery of 68 percent to pre-concentrate. An overall tin recovery target of 60 percent has been set for Level 2, albeit work will be on-going to improve plant performance specifically focussing on comminution (reducing generation of fine tin) and magnetic separation (recovery of composite tin from magnetite).

During the quarter the Company completed the outstanding regulatory requirements for Level 2, and appointed Jemrok Pty Ltd to undertake mining activities and construction of the new Tailings Storage Facility (TSF). Subsequent to the end of the quarter the Company commenced work on the new TSF. Incorporating the finalised contract mining costs and adopting a lower tin recovery of 60%, the forecast cash cost of production (C1) for the Granville Expansion have been amended to A\$17,300/t of recovered tin (previously A\$15,600/t). Based on a tin price of A\$26,700/t, the operating margin is estimated at A\$9,400/t of tin in concentrate (refer **Table 1**).



Figure 1 – New rougher spirals

**Table 1 – Summary forecast cash costs (C1) for Granville Expansion**

	A\$/t (April 2018)	A\$/t (July 2017)
Revenue (A\$/t contained tin) Current tin price US\$20,900/t; A\$:US\$ 0.78	<b>A\$26,700/t</b>	A\$26,000/t
Operating Costs (A\$/t recovered tin)		
Site: Mining/processing/admin/contingency	<b>13,200/t</b>	11,300/t
Offsite: Marketing/smelter charges	<b>3,400/t</b>	3,600/t
Government Royalties	<b>660/t</b>	700/t
C1 Operating Costs (A\$/t recovered tin)	<b>17,300/t</b>	15,600/t
Forecast Operating Margin (A\$/t recovered tin)	<b>A\$9,400/t</b>	A\$10,400/t

During the June 2018 quarter the Company is targeting construction of the new TSF and commencement of mining at the Granville East Mine, and once appropriate stockpiles of crushed ore have been established, concentrate production will recommence. Ramp-up of operations will continue into the second half of the year

### Taronga & Torrington Tin Project (NSW)

During the quarter the Company received from the Glen Innes Severn Council the Notice of Determination for the approval and conditions for the Taronga Stage 1 Project. The Taronga Stage 1 Project will comprise a trial mine and pilot plant to process approximately 340,000 tonnes of ore and produce a saleable concentrate over an 18 to 24 month period. A primary objective of the Taronga Stage 1 Project will be to assess areas of upside identified during the Updated Pre-Feasibility Study completed in 2014, including the potential for a higher resource grade. The Company is undertaking additional work to satisfy various permit conditions, notably related to the Tailings Storage Facility and Waste Rock Emplacement.

During the quarter the Company lodged the Mining Lease Application (MLA) for an area of 76.8 hectares which is fully contained within freehold property owned by the Company (**Figure 2**).

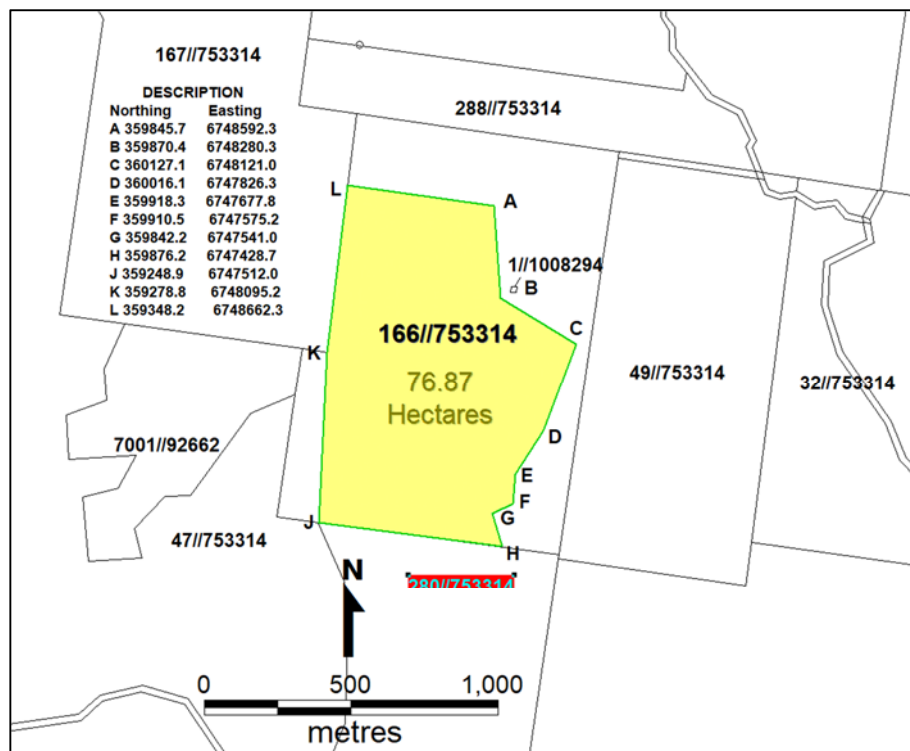


Figure 2 – Mining Lease Application for Taronga Stage 1 Project

During the June 2018 quarter the Company is targeting completion of pre-construction work and progression of regulatory plans and requirements. The Company will also progress engineering for the pilot plant and selection of preferred contractors for mining, civil construction and ore crushing.

## Mt Cobalt (Qld)

During the quarter the Company completed a diamond drill program to test potential extensions of mineralisation below and along strike from historic workings at Mt Cobalt. High cobalt grade results for four holes were obtained as summarised in Table 2 below:

**Table 2 – Drill results for Mt Cobalt (intersections greater than 0.20%Co)**

Hole #	Significant cobalt intersections for 2017/18 Mt Cobalt drill program
<b>COB029</b>	28.1m @ 0.29%Co, 0.73%Ni, including – 6.6m @ 0.45%Co, 0.89%Ni; and – 2.7m @ 0.74%Co, 0.89%Ni
<b>COB030</b>	0.32%Co, 0.62%Ni over a 25m interval, including – 5.2m @ 0.31%Co, 0.54%Ni from 4.8m depth; and – 1.5m @ 1.48%Co, 1.30%Ni from 26.5m depth (last interval recovered)
<b>COB031</b>	3.8m @ 0.49%Co, 0.87%Ni from 1.4m depth, including – 1m @ 1.2%Co, 1.26%Ni from 1.4m depth
<b>COB032</b>	0.30%Co, 0.68%Ni over a 6m interval, including – 1m @ 1.2%Co, 1.3%Ni from 1m

The results confirmed the occurrence of high grade enriched cobalt-manganese shear hosted mineralisation within a broader lower grade oxidised serpentinite zone, and provided the basis for a target zone 350m long x 25m wide and open at depth and down dip to the west (Figure 3). The Company also reported the potential to extend the target zone to the south towards historic workings identified in a 1901 Queensland Government report and subsequently located approximately 190m south of the target zone. During the June 2018 quarter the Company is due to receive the results of 3D modelling of magnetic data which will provide the basis for determining the next program of drilling at Mt Cobalt.

The Company continues to define a significant polymetallic mineral system occurring over a 4km trend along the edge of the Black Snake Porphyry, and recent field reconnaissance has been focussed at the historic prospect at Jackson North.

During the quarter the Company completed a program of preliminary metallurgical test work that demonstrated a five-fold upgrade in the grade of material using gravity separation. Should valuable minerals be able to be separated out early in the process it could potentially lower the capital and operating costs for a hydrometallurgical processing plant.

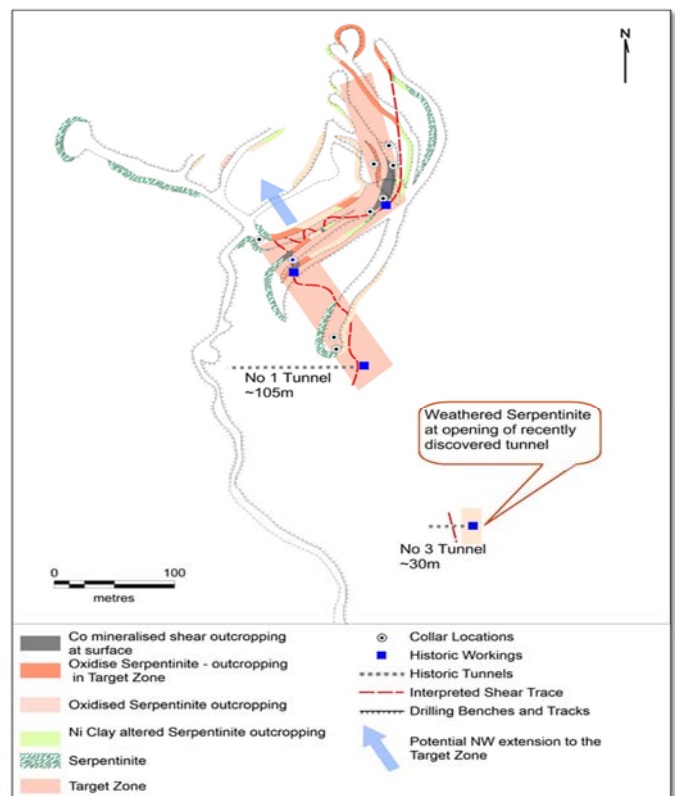
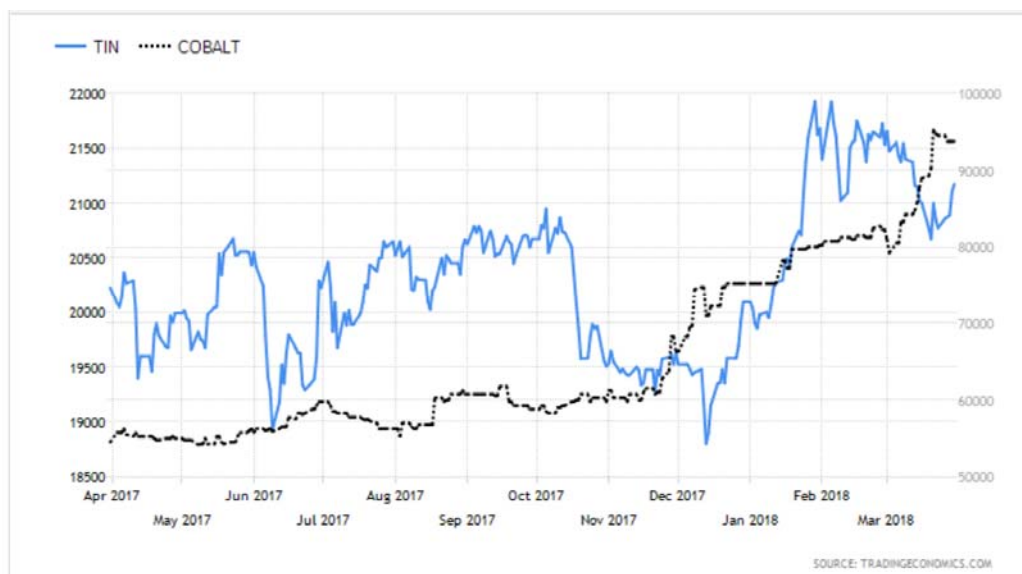


Figure 3 – Plan view of Mt Cobalt showing interpreted shear orientation and cobalt mineralised target zones

### Commodities Market

During the quarter the tin price traded in a range US\$19,925/t to US\$ 21,900/t (**Figure 3**) on the back of declining LME and Shanghai stockpiles. The Company attended the recent International Tin Conference where a forecast tin price of US\$25,000/t by 2020 was provided by the International Tin Association (**ITA**). Also reported at the conference was the declining mine production from Myanmar and shortage of tin concentrate into China. RioTinto recently reported tin as the Number 1 metal most impacted by new technology and ITA also presented on numerous new applications for tin being investigated.

During the quarter the refined LME cobalt price exceed US\$90,000/t, driven by growing demand from battery producers and changes to government imposed royalty arrangement in Democratic Republic of Congo (accounting for circa 60 percent of global production).



**Figure 3 – 12 month tin and cobalt prices**

### Corporate

During the quarter the Company exercised its right to buy-back the outstanding Face Value of the outstanding Convertible Securities provided through the Convertible Security Funding Agreement (**CSFA**) as provided by The Lind Partners (**Lind**). The decision to repay followed a strong appreciation in the share price of the Company and resulted in a positive outcome given the capital raised was at a premium to the Company’s share price at the time of first issue.

Subsequent to the end of the quarter the Company executed a new convertible security with Lind on superior terms, notably a fixed conversion price of \$0.035 per share for the first 10 months.

### Tenement Management

The Company’s interest in tenements for the quarter is outlined in the attached Appendix 1.



On behalf of the Board  
KM Schlobohm  
Company Secretary



### 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 Persons Statement

The information in this presentation that relates to 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.

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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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**Karl Schlobohm**

Company Secretary, Aus Tin Mining Limited

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**Appendix: 1 Details of Exploration Tenements Held by Aus Tin Mining Limited**

**Mining Leases /Exploration Licences held at 31 December 2017**

Tenement	Location	% Interest	Grant Date	Renewal Submitted	Expiry Date
21M/2003	TAS (Zeehan)	100%	05.03.04		05.03.22
9M/2006	TAS (Zeehan)	100%	09.10.06		05.03.22
EPM 19366	QLD (Kilkivan)	100%	09.08.12		08.08.19
EL 8407	NSW (Emmaville)	100%	04.11.15		04.11.18
EL 7800	NSW (Emmaville)	100%	04.07.11		04.07.19
EL 7801	NSW (Emmaville)	100%	04.07.11		04.07.18
EL 8335	NSW (Emmaville)	100%	05.01.15		05.01.21
EL 8637	NSW (Emmaville)	100%	31.08.17		31.08.20
EL 8639	NSW (Emmaville)	100%	31.08.17		31.08.20

**Exploration Licences acquired during the period**

Tenement	Location	% Interest	Grant Date	Application Date	Expiry Date
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**Exploration Licences surrendered during the period**

Tenement	Location	% Interest	Grant Date	Surrender Date	Expiry Date
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**Mining Lease / Exploration Licences Applications outstanding for the period**

Tenement	Location	% Interest	Grant Date	Application Date	Expiry Date
32M/1988	TAS (Zeehan)	100%		17.08.16	
MLA 554	NSW (Emmaville)	100%		12.03/18	