



ASX Release: 31 July 2018

Quarterly Activities Report - Period Ended 30 June 2018

Aus Tin Mining Ltd
("the Company")

ASX CODE: ANW

At Time of Publication

Shares on Issue
1,978 million

Unlisted Options
210 million (@ \$0.02)

Market Capitalisation
\$28M (at \$0.014/share)

DIRECTORS

Brian Moller (Chairman)
Nick Mather
John Bovard
Richard Willson

CHIEF EXECUTIVE OFFICER

Peter Williams

COMPANY SECRETARY

Karl Schlobohm

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HIGHLIGHTS

- **Granville Expansion (Level 2) civil works commenced**
- **Pre-construction work for Taronga Stage 1 Project progressed**
- **Modelling of magnetic data generates extensive cobalt, copper and nickel targets at Mt Cobalt**
- **New \$2.5M funding package to meet exploration and development costs**

REVIEW OF ACTIVITIES - SUMMARY

Granville Tin Project

During the quarter the Company appointed a contractor to undertake mining activities at Granville East Mine and commenced construction of the new Tailings Storage Facility required for Level 2 operations. A revised forecast cash cost of production (C1) of A\$17,300/t of recovered tin was reported for the expanded operations.

The Company also entered into a new tin concentrate purchase agreement with Traxys Europe, the new agreement providing overall for more favourable terms to the Company.

Taronga Tin Project

During the quarter the Company progressed various pre-construction work and progression of regulatory plans required for the Stage 1 Project. The Company also received results from preliminary ore-sorting testwork that indicated ore-sorting is effective for Taronga ore. Subject to the outcome of bulk test work the Company may consider incorporating ore-sorting for the Stage 1 Project.

Mt Cobalt

During the quarter the Company undertook 3D modelling of magnetic susceptibility for the Mt Cobalt Project and generated several cobalt-copper-nickel targets. Three deeper anomalous zones of higher magnetic susceptibility plus two shallower interpreted structural targets will provide the basis for the next round of exploration.

Corporate

During the quarter the Company executed a new convertible security with Lind on superior terms compared with the original convertible security, notably a fixed conversion price of \$0.035 per share for the first 10 months. Subsequent to the end of the quarter the Company received the balance of \$2.5M in funding. Funds will be used to meet exploration, development and working capital costs.

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JUNE QUARTER 2018 ACTIVITIES

Granville Tin Project (TAS)

During the quarter the Company appointed Tasmanian civil contractor Jemrok Pty Ltd to undertake mining activities at the Granville East Mine and construction of a new Tailings Storage Facility (TSF) required for the expanded Level 2 operations. Works commenced on the TSF once the ground was sufficiently dry to enable the recovery of soils to be retained for future rehabilitation. The construction of the new TSF has been delayed due to a combination of weather and a more onerous engineering testing regime. Additional contractor resources have been engaged and weather permitting the TSF will be completed during the current quarter. In the interim, plant and equipment has been deployed to the Granville East Mine.



Figure 1 – New Tailings Storage Facility under construction

Incorporating the finalised contract mining costs and adopting a lower tin recovery of 60% based on Level 1 operations, a revised forecast cash cost of production (C1) for the Granville Expansion of A\$17,300/t of recovered tin (previously A\$15,600/t) was reported. Based on the current tin price, the operating margin is estimated at A\$9,500/t of tin in concentrate.

During the quarter the Company entered into a new, two-year tin concentrate purchase agreement with Traxys Europe. Taking into account new thresholds for certain penalty elements, overall the new agreement provides for more favourable terms to the Company.

Taronga & Torrington Tin Project (NSW)

During the quarter the Company progressed various pre-construction work and progression of regulatory plans required for the Stage 1 Project. The design for the Tailings Storage Facility was finalised and submitted to the regulators for construction approval, and engineers were appointed to complete the preliminary design and cost estimate for the pilot plant. To progress the Mining Lease Application, a survey of the lease boundary was completed and several technical reports were received for inclusion in the Mining Operations Plan (**MOP**).

During the quarter the Company received results from preliminary ore sorting test work which indicated that ore sorting is effective for Taronga ore. Analytical results for the standard static test indicate an overall 54 percent increase in head grade (0.56%Sn to 0.86%Sn) whilst achieving 96 percent tin recovery. The Company will accelerate the next stage of test work with a two-tonne bulk sample through TOMRA's pilot facility in Sydney, NSW, the results from bulk test work generally providing

sufficient information for scale-up to a full-scale production plant. Subject to the outcome of proposed bulk test work the Company may consider incorporating ore-sorting for the Stage 1 Project.

Mt Cobalt

During the quarter the Company undertook 3D modelling of magnetic susceptibility for the Mt Cobalt Project and generated a number of iso-layers representing varying magnetic susceptibility (Figure 2). A magnetic susceptibility of 0.2 may indicate elevated levels of magnetite and many occurrences of nickeliferous sulphides are associated with discrete magnetic anomalies¹. A magnetic susceptibility of 0.129 SI may indicate disseminated magnetite which may be associated with copper, nickel and cobalt sulphides.

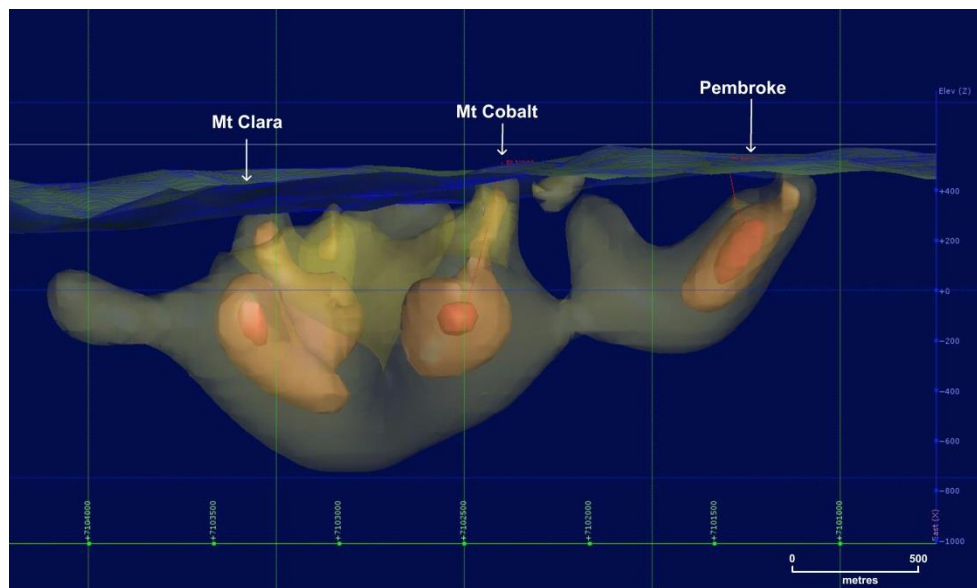


Figure 2: 3D model of magnetic susceptibility data proximate to Mt Cobalt (looking east with Mt Cobalt central)

Three discrete targets with elevated magnetic susceptibilities of 0.2 SI and 0.129 SI iso-layer units were identified, the largest lying approximately 600m below Mt Cobalt. Based on collective work to date, the zone of 0.2 SI magnetic susceptibility may represent the sulphide source for cobalt and nickel mineralisation at Mt Cobalt. None of the targets have been validly tested by previous drilling and the Company is developing a program to drill test the target zones with a program of three holes up to 650m in depth.

The magnetic susceptibility modelling, in combination with VTEM resistivity data, geochemistry and drill logs, also identified two target areas that may represent additional shear zones that host the high cobalt grade mineralisation at Mt Cobalt. The Company is developing a drill program of five holes totalling 300m, initially targeting an area approximately 150m metres north west of the drilling completed earlier this year, where results included 0.32%Co, 0.62%Ni over 25m of assayed intervals².

¹ Source: "Magnetic responses associated with mineral deposits"; PJ Gunn & MC Dentith; ASJO Journal of Australian Geology & Geophysics, 1997

² Refer ASX Announcement dated 16th February 2018

Corporate

During the quarter, shareholders ratified a new \$2.5M, 24-month convertible security with the Lind Partners on superior terms compared with the original convertible security, notably a fixed conversion price of \$0.035 per share for the first 10 months. Following the end of the quarter the Company received the balance of funding and currently holds its highest level of cash since 2013 when it merged with Taronga Mine Limited. Funds will be used will be used to meet exploration, development and working capital costs.

Commodities Market

During the quarter the tin price traded as high as US\$21,600/t before falling to current levels around US\$19,900/t (**Figure 3**) reflecting general weakness in base metals prices associated with escalating trade tensions between the United States, China and Europe. During the quarter the refined LME cobalt price fell below US\$70,000/t, again reflecting global trade tensions and also forecast increased production from the Democratic Republic of Congo.

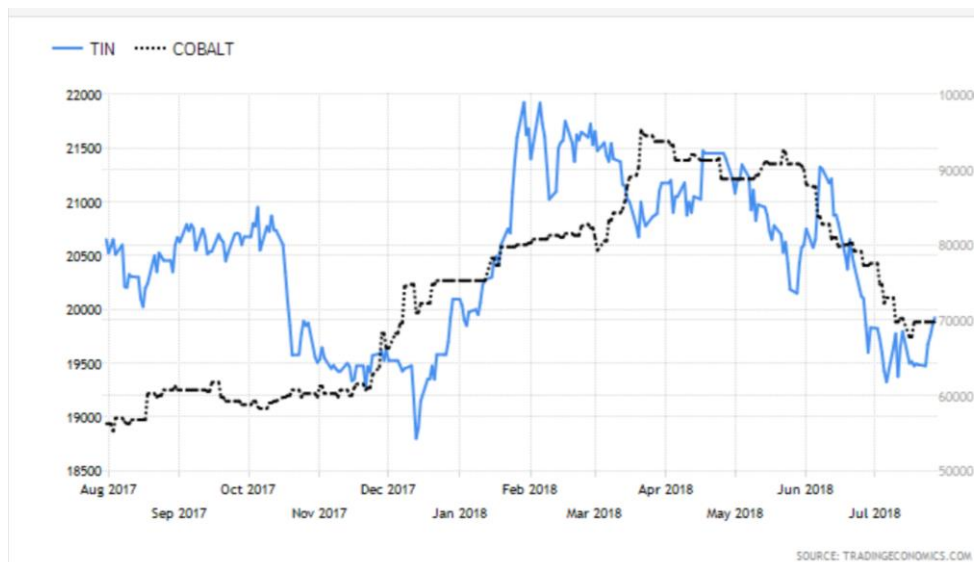


Figure 3 – 12 month tin and cobalt prices

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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Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Aus Tin Mining Limited.

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 26th August 2013 and is available to view on 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 7th April 2014 and is available to view on 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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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	03.07.18	
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	