



ASX Announcement

Aus Tin Mining Limited (ASX: ANW)

13th March 2019

Owner Mining Commences at Granville

The Directors of Aus Tin Mining Limited (the **Company**) are pleased to provide the following update in respect of the Granville Tin Project.

Following the appointment of liquidators on 4th March 2019 to the incumbent mining contractors Jemrok Pty Ltd (**Jemrok**), the Company has terminated the contract with Jemrok and is progressing the necessary arrangements to commence owner mining at the Granville East Mine. The decision to adopt owner mining as opposed to appointing another contractor was based on minimising disruption to the project by utilising the existing equipment at site and employment of ex-Jemrok employees. The Company considers owner mining will deliver greater control and improvement in mine productivity following a decline in productivity in early 2019. Under the owner mining model, waste mining operations have resumed following a period of lost production attributable to the collapse of Jemrok, and ore mining is expected to resume in the coming fortnight.

Owner mining operating costs for Granville are estimated at \$100,000 to \$130,000 per month depending on blasting requirements and are inclusive of equipment rental, fuel and labour. Owner mining should deliver a lower mining cost based on the removal of the contractor's margin. Aus Tin's General Manager of Operations, with more than 40 years' experience, will directly oversee mining operations to maximise mining efficiency of ore grade and waste removal.

Jemrok were previously contracted to also provide crushing and ore-haulage services but the Company is now progressing discussions with a third party for these services. In the interim the Company has transported the relatively friable hanging wall ore that doesn't require crushing to the processing plant for treatment. The commencement of processing hanging wall ore has led to an increase in plant feed grade (average 1.85%Sn month-to-date for March compared to 0.82% for February) but has necessitated a change in operating strategy to accommodate the increased level of sulphides associated with this material in order to achieve the target concentrate grade of 60%Sn. Upon implementation of contract crushing the Company will be able to increase the proportion of competent skarn ore that contains lower sulphide level and historically has been the predominant ore source for the project. Notwithstanding delays attributed to the mine and the change in operating strategy for treating hanging wall shale ore, the Company is building an inventory of tin concentrate and is targeting a resumption of concentrate sales within a month. As previously announced¹ concentrate sales are contracted through Traxys Europe SA.

¹ Refer ASX Announcement dated 7th June 2018

Chief Executive Officer, Peter Williams said *“The appointment of liquidators to Jemrok and the subsequent termination of the contract concludes a frustrating period of delays and declining productivity at Granville. We look forward to assuming full control over mine production and working with the new employees and suppliers for the delivery of increased ore to the processing plant with a commensurate increase in concentrate production”*.

Separately, the Company continues to work with the NSW Department of Planning & Environment (DPE) on the approval of the Taronga Stage 1 Mining Operations Plan (MOP). The DPE have requested additional information on the future rehabilitation requirements of water contained within the proposed TSF and the Company is preparing a response based on operating practices at Granville, specifically the precipitation of soluble metals.



On behalf of the Board

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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) and 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 test work 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. In December 2017 the Company received approval for the first stage of development at Taronga for a trial mine and pilot plant.

The Company is also actively exploring for cobalt at its Mt Cobalt project west of Gympie (QLD). Recent drilling has returned high grades for an enriched cobalt-manganese oxide zone. In addition the Company is exploring an approximately 4km arc along the contact with the Black Snake Porphyry which is prospective for cobalt, nickel, copper and gold.

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.