



Entitlement Offer Booklet

Aus Tin Mining Limited ACN 122 957 322

A non-renounceable Entitlement Offer to existing Shareholders of **Aus Tin Mining Limited** of 1 New Share at an issue price of \$0.001 each for every 1 Share held, to raise up to approximately \$3,051,996 before costs.

The Entitlement Offer is not underwritten.

Important Notice

This document is not a prospectus. This document does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered pursuant to this document. The New Shares offered pursuant to this document should be considered speculative.

This document should be read in its entirety. If after reading this document you have any questions about the Offer or the New Shares then you should consult your stockbroker, accountant or other professional adviser.

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE IN OR INTO THE UNITED STATES OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES

Important information and Summary of Capital Raising

Interpretation

A number of terms and abbreviations used in this Offer Booklet have defined meanings, which are explained in the “Definitions and Glossary” at Section 7.

Money as expressed in this Offer Booklet is in Australian dollars unless indicated otherwise.

Key dates for investors

Announcement of Entitlement Offer, and Offer Booklet and s708AA(2)(f), and Appendix 3B lodged with ASX	Before 12 PM Monday, 17 August 2020
Record Date for the Entitlement Offer (7:00pm AEST)	Thursday 20 August 2020
Despatch of Offer Booklet	Tuesday, 25 August 2020
Opening Date of Entitlement Offer (9:00am AEST)	
Last day to extend the Closing Date of Entitlement Offer	Tuesday, 15 September 2020
Closing Date of Entitlement Offer (5:00pm AEST)	Friday, 18 September 2020
Announcement of results of issue (no more than 3 business days after Closing Date)	Wed, 23 September 2020
Issue Date - expected date of issue of the New Shares under the Entitlement Offer, and lodgement of Appendix 2A for quotation of New Shares	Friday, 25 September 2020
Normal trading in Shares begins	Monday, 28 September 2020

The dates set out in the above table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time, subject to the Corporations Act and the Listing Rules, without notice. The Directors, subject to the requirements of the Listing Rules and the Corporations Act, may extend the period of the Entitlement Offer or bring forward the Closing Date at their discretion. This may have a consequential effect on the other dates. Investors are encouraged to submit their Entitlement and Acceptance Forms as soon as possible.

Entitlement Offer

Number of New Shares to be issued*	3,051,996,286
Issue Price	\$0.001
Gross proceeds (approximately) *	\$3,051,996
Costs of Entitlement Offer (up to)	\$80,000
Total net proceeds of the Capital Raising*(approximately)	\$2,971,996

The various numbers in this table are only the Company's best estimates as at the date of this Offer Booklet. These numbers include debt conversions by DGR, the Board and Management to satisfy subscription amounts, and further assume that: the Entitlement Offer is fully subscribed; none of the Existing Options are exercised; and none of the Convertible Notes and other convertible securities are converted. If any of these assumptions prove incorrect, then the numbers in this table may change accordingly.

The Entitlement Offer will not be underwritten.

Entitlement and Acceptance Forms

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which is accompanying this Offer Booklet or making payment of Acceptance money by BPay® in accordance with the instructions set out in this Offer Booklet and on the Entitlement and Acceptance Form.

It is the responsibility of any overseas Applicants to ensure compliance with all laws of any country relevant to their Acceptance.

Debt Conversion Facility

In addition, there will be a facility whereby the obligation to pay subscription monies may be satisfied through the conversion of any debt owing by the Company to the relevant Shareholder.

Important notice

The Entitlement Offer made pursuant to this Offer Booklet is for a rights issue, of “continuously quoted securities” as that term is used in the Corporations Act of the Company. The Shortfall Share Offer is a “related issue” as that term is used in ASIC’s *Corporations (Non-Traditional Rights Issues) Instrument 2016/84*. This Offer Booklet is not a disclosure document for the purposes of Chapter 6D of the Corporations Act. The Company is offering the securities under this Offer Booklet without disclosure to investors under Chapter 6D of the Corporations Act in reliance on Section 708AA of the Corporations Act, as modified by. Accordingly, the level of disclosure contained in this Offer Booklet is significantly less than that required under a prospectus and Eligible Shareholders should: consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made to ASX; and should consult their professional advisers, before deciding whether to accept the Entitlement Offer.

This Offer Booklet is dated 17 August 2020 and was lodged with ASX on that date. ASX does not take any responsibility for the contents of this Offer Booklet. Securities will only be issued on the basis of this Offer Booklet in accordance with the terms set out in this Offer Booklet.

As at the date of this Offer Booklet, the Company has complied with:

- the provisions of Chapter 2M of the Corporations Act, as they apply to the Company; and
- Section 674 of the Corporations Act.

No excluded information

As at the date of this Offer Booklet, the Company is not aware of any excluded information of the kind which would require disclosure in this Offer Booklet pursuant to sections 708AA(8) and (9) of the Corporations Act.

Eligible and Foreign Shareholders

The Entitlement Offer and Shortfall Share Offer are only being extended to all Shareholders on the Record Date who have a registered address¹ in one of the Prescribed Jurisdictions of Australia, New Zealand or Hong Kong. Neither the Entitlement Offer nor the Shortfall Share Offer are being extended to, and do not qualify for distribution or sale by or to, and no New Shares will be issued to, Shareholders having a registered address outside the Prescribed Jurisdictions (**Ineligible Shareholders**).

¹ In respect of a Shareholder, a “registered address” means the address recorded for that particular Shareholder in the Share Register.

The Company is of the view that it is unreasonable to make an offer to Ineligible Shareholders having regard to:

- the number of Ineligible Shareholders;
- the number and value of the New Shares to be offered to Ineligible Shareholders; and
- the cost of complying with the legal requirements in the relevant jurisdictions to make the Offer to Ineligible Shareholders.

Accordingly, the Company has not made any investigation as to the regulatory requirements that may prevail in the countries outside of the Prescribed Jurisdictions in which persons who have a legal or beneficial interest in the Company's Shares may reside. The distribution of this Offer Booklet in jurisdictions other than the Prescribed Jurisdictions may be restricted by law and any failure to comply with such restrictions might constitute a violation of applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offer is being made in reliance on the *Financial Markets Conduct Act 2013* (New Zealand), the *Financial Markets Conduct Regulations of New Zealand*, and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not an investment statement, prospectus or product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that such a document prepared under New Zealand law is required to contain.

Hong Kong

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Forward looking statements

Some of the information contained in this Offer Booklet constitutes forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'should', 'will', 'expects', 'plans' or similar expressions. These statements discuss future objectives or expectations concerning results of operations or financial conditions or provide other forward-looking information. The Company's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements. This Offer Booklet details some important factors that could cause the Company's actual results to differ from the forward-looking statements made in this Offer Booklet.

No representations

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Booklet. Any information or representation in connection with the Offer not contained in this Offer Booklet may not be relied on as having been authorised by the Company or its officers.

This Offer Booklet does not provide investment advice or advice on the taxation consequences of accepting the Entitlement Offer or the Shortfall Share Offer. The Offer and the information in this Offer Booklet, do not take into account your investment objectives, financial situation and particular needs (including financial and tax issues) as an investor. In particular, in considering whether or not to invest in the New Shares, it is important that you consider the risk factors contained in Section 4 of this Offer Booklet that could affect the financial performance and position of the Company in light of your investment objectives, financial situation and particular needs (including financial and tax issues), and seek investment advice from your financial or other professional advisers. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants the future performance of the Company or any return on any investment.

Deciding to accept the Offer

Please read this document carefully before you make a decision to invest. An investment in the Company has a number of specific risks which you should consider before making a decision to invest. Some of these risks are summarised in Section 4 of this Offer Booklet. This Offer Booklet is an important document and you should read it in full before deciding whether to invest pursuant to the Entitlement Offer and the Shortfall Share Offer. You should also have regard to other publicly available information about the Company, including ASX announcements and published Financial Statements, which can be found at the Company's website www.austinmining.com.au.

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Chairman's letter

17 August 2020

Dear Shareholder,

On behalf of the Directors, I am pleased to invite you, as a valued Shareholder of Aus Tin Mining Limited (**Aus Tin Mining** or the **Company**), to participate in Aus Tin Mining's recently announced 1 for 1 non-renounceable entitlement offer of new Aus Tin Mining ordinary shares (**New Shares**) at an issue price of \$0.001 per New Share to raise up to approximately \$3,051,996 (**Entitlement Offer**).

Any funds raised from the Entitlement Offer will, together with the Company's existing working capital, be used for one or more of the following purposes:

- pursue the completion of Stage 1 of the recently announced Ashford Transaction – for more details see Section 2.2;
- following completion of Stage 1 of the Ashford Project, undertake a feasibility study in respect of the Ashford Project and progress application for a mining lease²;
- subject to reaching binding commercial terms with Lachlan Copper, advancing exploration on the Lachlan Copper project³;
- to undertake a program of work at the Taronga Tin Project in New South Wales;
- meet the costs of the Entitlement Offer;
- repay short-term advances made to the Company; and
- meet corporate expenditure and working capital requirements.

In addition, the Company has issued the first tranche of \$110,000 worth of Convertible Notes, and subject to the approval of the Lead Manager (BCP) may seek to issue further tranches with a total value of \$450,000 (for further details of this issue refer to Section 2.1).

It is a condition precedent to completion of stage 1 of the Ashford Transaction, that the Company converts a minimum of \$1.66 million worth of debt. This is also an intrinsic part of the Company's strategic plan⁴. The Company understands that approximately \$600,000 worth of this debt will be converted into equity pursuant to the Entitlement Offer through the Debt Conversion Facility (for further details see Section 5.8). Any debt converted, while not bringing new cash directly into the Company, will strengthen the Company's balance sheet so as to better enable it to raise debt and equity from third parties in the future.

The number of New Shares that you are entitled to subscribe for under the Entitlement Offer (**your Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Offer Booklet. The Entitlement Offer is open to all Shareholders with a registered address in either Australia, New Zealand or Hong Kong (**Eligible Shareholders**) as at **7:00pm (AEST) Thursday 20 August 2020** (the **Record Date**).

² See announcement made 31 July 2020 *Acquisition of Ashford Coking Coal Project*

³ See Section 2.4 for further details.

⁴ See the investor presentation lodged on ASX on 14 August 2020, and Section 2.1 for further details.



If you are an Eligible Shareholder and you wish to accept your Entitlement pursuant to the Entitlement Offer, you will need to complete the Entitlement and Acceptance Form and return it together with the appropriate Application Money to the Company's Share Registry before **5pm (AEST) on the Closing Date of Friday 18 September 2020**.

If you take up your full Entitlement, you can also apply for additional New Shares (**Additional New Shares**) under a Shortfall Facility (refer to Sections 1.2 and 5.3 of this Offer Booklet for more information) (**Shortfall Facility**). The offer price for the Additional New Shares will be the Issue Price of \$0.001 per Additional New Share. Any Additional New Shares must be allocated from that pool of New Shares which remain available for allocation, after the allocation of all Entitlements to each Eligible Shareholder who has applied for their Entitlements (**Shortfall Shares**). Related Parties of the Company and their associates who are Eligible Shareholders must not apply for, and will not be issued, Additional New Shares. Further, the Company will not allocate Additional New Shares to any Eligible Shareholder to the extent that the allocation will result in that Eligible Shareholder acquiring a holding of more than 20% in the Company. Please see Sections 1.2 and 5.3 of this Offer Booklet for details on how to apply for Additional New Shares.

Entitlements are non-renounceable and cannot be traded on the ASX or otherwise transferred. This means that if you choose not to take up your Entitlement you will not receive any value in respect of your Entitlement and your percentage interest in the Company will reduce.

Key information with respect to the Entitlement Offer is set out in this Offer Booklet. Please read the Offer Booklet carefully before deciding whether or not to invest.

Allotment of the New Shares issued under the Entitlement Offer will occur on or about **Friday, 25 September 2020**.

The Board of Directors reserves the right to place any shortfall from the Entitlement Offer to third parties within three (3) months of the close of the Offer at a price no lower than the Offer Price.

If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional adviser.

On behalf of the Directors, I encourage you to consider this investment opportunity carefully and thank you for your ongoing support of Aus Tin Mining.

Yours sincerely,

A handwritten signature in black ink, appearing to read "B. Moller".

Brian Moller
Non-Executive Chairman

1. Entitlement Offer Details

1.1 The Entitlement Offer

The Entitlement Offer is an offer to Eligible Shareholders of an estimated 3,051,996,286 New Shares at an Issue Price of \$0.001 per New Share, on the basis of 1 New Share for every 1 Share held (**Entitlement**), to raise up to approximately \$3,051,996 (before costs).

On the same date as announcing the Entitlement Offer, the Company applied to the ASX for the New Shares to be granted official quotation on the ASX. Allotment of the New Shares issued under the Entitlement Offer will occur on or about **Friday, 25 September 2020**. Official quotation of the New Shares is expected to occur on or about **Monday, 28 September 2020**.

Fractional Entitlements will be rounded down to the nearest whole number of New Shares.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, and they cannot be transferred or otherwise disposed of.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Offer Booklet. Eligible Shareholders may subscribe for all or part of their Entitlement. There is no minimum subscription amount.

In addition to meeting their Entitlement obligations through a subscription for cash, there will also be a debt conversion facility. If an Eligible Shareholder is also a creditor of the Company, they will be able to pay for their Entitlement through “a dollar for dollar” conversion of debt.

Eligible Shareholders who do not take up all of their Entitlements, will along with Ineligible Shareholders, have their percentage Shareholding in the Company diluted. Eligible Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are set out in Section 4 of this Offer Booklet.

For the avoidance of doubt, no New Shares will be issued to any Shareholder or other investor to the extent that in the reasonable opinion of the Company, that issue would:

- (a) result in the relevant Shareholder breaching section 606 of the Corporations Act; or
- (b) be likely to result in a declaration of unacceptable circumstances for the purposes of section 657A of the Corporations Act were an application to be made under section 657C of the Corporations Act.

1.2 Shortfall Facility

Each Eligible Shareholder may apply for Additional New Shares, in addition to their Entitlement, at an issue price of \$0.001 per New Share (**Shortfall Facility**).

Any New Shares not taken up under the Entitlement Offer by the Closing Date (**Shortfall**) may be made available to those Eligible Shareholders who took up their full Entitlement and applied for Additional New Shares under the Shortfall Facility. There is no guarantee that such Shareholders will receive the number of Additional New Shares applied for, or indeed any Additional New Shares at all. There is no cap on the number of Additional New Shares that Eligible Shareholders may apply for under the Shortfall Facility, although the number of New Shares available under the Shortfall Facility will not exceed the Shortfall following the Entitlement Offer. The allocation of Additional New Shares will be made on a *pro rata* basis, if there is greater demand than available New Shares.



The Directors shall allot and issue Additional New Shares in accordance with the allocation policy for the Shortfall set out in Section 5.3. The Company may reject any application for Additional New Shares or allocate fewer Additional New Shares than applied for by subscribers for Additional New Shares.

The ability for the Company to issue Additional New Shares is dependent upon the extent of any Shortfall. Applications for Additional New Shares must be made in the Additional New Shares section on the Entitlement and Acceptance Form accompanying this Offer Booklet.

1.3 Eligibility of Shareholders

The Entitlement Offer is being offered to all Eligible Shareholders.

Eligible Shareholders are Shareholders on the Record Date who:

- (a) have a registered address in a Prescribed Jurisdiction;
- (b) are not in the United States or persons (including nominees or custodians) acting for the account or benefit of a person in the United States; and
- (c) are not ineligible under applicable securities laws in any country to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

Shareholders who do not meet the criteria to participate in the Offer (for example not having a registered address in a Prescribed Jurisdiction), are Ineligible Shareholders. Ineligible Shareholders are not entitled to participate in the Offer to subscribe for New Shares. The Company made this decision taking into account the number of Shareholders located outside of the Prescribed Jurisdictions, the number and value New Shares to which those Shareholders would otherwise be entitled, and the potential cost of complying with the legal requirements and regulatory requirements in those overseas jurisdictions.

Shareholders resident in Prescribed Jurisdictions holding Shares on behalf of persons who are Ineligible Shareholders are responsible for ensuring that the taking up of any Entitlements under the Offer does not breach the law in the relevant jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of any relevant law.

1.4 Investment risks

Eligible Shareholders should be aware that an investment in the Company is subject to investment and other known and unknown risks, including possible loss of income and principal invested. A number of these risks are specific to the Company and the industry in which it operates. Some of the key risks identified by the Company are outlined in Section 4 of this Offer Booklet. However, these risks should not be taken to be exhaustive of the risks faced by the Company or its Shareholders. Those risk factors and others not specifically referred to in this Offer Booklet, may materially affect the financial performance of the Company and the value of its Shares in the future.

Aus Tin Mining has implemented strategies, actions, systems and safeguards for known risks. However, some risks are beyond its control. Consequently, the prevailing price or value of New Shares issued under the Entitlement Offer may be more or less than the Issue Price.

In any event, the Company does not guarantee any particular rate of return, the performance of the Company, the payment of any dividends, the repayment of capital from the Company, any price for the Company's Shares or any particular tax treatment.

1.5 New Share terms

Each New Share will rank equally with all existing Shares then on issue. Full details of the rights and liabilities attaching to the Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

1.6 Sources and proposed use of funds

The Directors intend to apply the funds raised from the Capital Raising as follows:

Sources of funds	Amount (\$)
Proceeds of Entitlement Offer ⁽¹⁾	\$3,051,996
Proposed use of funds	
Exploration and Project Development (in order of priority)	
Ashford Coal Project (feasibility and Mining Lease Application)	\$750,000
Reimbursement for Laneway's expenditure on Ashford between 31 July 2020 and date of Completion of Stage 1 of the Ashford Acquisition	\$100,000
Lachlan Fold Belt Farm-In (Year 1)	\$270,000
Taronga Interim Drilling Program	\$200,000
Taronga Resource / Feasibility Update	\$20,000
Exploration Other	\$100,000
Granville Care & Maintenance	\$100,000
Other to be allocated	\$399,996
Repayment of Director & CEO Loans ⁽²⁾	\$32,000
Creditors and Working Capital ⁽³⁾	\$1,000,000
Estimated Costs of Entitlement Offer ⁽⁴⁾	\$80,000
Use of funds	\$3,051,996

(1) Assumes that the Entitlement Offer is fully subscribed, including debt conversions to satisfy subscription amounts. It further assume that the Entitlement Offer is fully subscribed; none of the Existing Options are exercised; and none of the Convertible Notes and other convertible securities are converted. If any of these assumptions prove incorrect, then the numbers in this table will change accordingly.

(2) Prior to the Entitlement Offer, the Directors and the CEO have advanced \$32,000 to the Company.

(3) Includes some expenditure incurred prior to 30 June 2020, and debts to be converted by DGR and Directors and Management.

(4) Includes and fees for legal and registry services.

However, in the event that circumstances change or other opportunities arise, the Directors reserve the right to vary the proposed uses of funds in an effort to maximise the benefit to Shareholders.

1.7 Allotment and allocation

The Company will proceed to allocate New Shares as soon as possible after the Closing Date and receiving ASX permission for official quotation of the New Shares.

Allocation of New Shares applied for under the Shortfall Facility will be allocated and allotted in accordance with the allocation policy set out in Section 5.3. Successful Applicants will be notified in

writing of the number of New Shares allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading in New Shares. Applicants who sell New Shares before they receive notice of the number of New Shares allocated to them do so at their own risk.

After allowing for the demands of Eligible Shareholders under the Entitlement Offer, the Directors reserve the right to place any Shortfall under the Entitlement Offer within three (3) months at a price no lower than the offer price of \$0.001, if possible.

1.8 ASX listing

The Company applied for the listing and official quotation of the New Shares on the ASX on same date as announcing the Offer. If granted, official quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of the Applicants to determine their allocation of New Shares prior to trading.

1.9 CHESS

The Company will apply for the New Shares to participate in CHESS, in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

The Company will not issue certificates to Shareholders with respect to the New Shares. After allotment of the New Shares, Shareholders who are issuer sponsored will be provided with an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements will set out the number of New Shares allotted to each successful Applicant pursuant to this Offer Booklet. The statement will also advise holders of their holder identification number ("HIN"). Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

1.10 Option Holders

There are currently 105,704,485 Existing Options on issue. These Option Holders will not be entitled to participate in the Entitlement Offer unless they:

- (a) have become entitled to exercise their Existing Options under the terms of their issue and do so prior to the Record Date; and
- (b) participate in the Entitlement Offer as a result of being a holder of Shares registered on the Share Register at 7.00pm (AEST) on the Record Date, and having a registered address in a Prescribed Jurisdiction.

However, in the event that the Existing Options are eligible for exercise and if all entitled Option Holders elect to exercise their Existing Options prior to the Record Date to participate in the Entitlement Offer, a further approximately 105,704,485 New Shares may be issued under the Offer.⁵ However, as the exercise price of all Existing Options is currently higher than the Share price, it is unlikely that any Option Holders will exercise their Options and participate in the Offer.

⁵ In addition there are Convertible Notes outstanding— see section 2.1 – and convertible securities on issue to Lind. Any of these may be converted after the date of this Offer Booklet and prior to the Closing Date. If so then this will increase the number of New Shares that may be issued under the Offer.

2. Company Information

2.1 Company Overview and strategic plan

Revised Strategic Plan

The Company last week provided an updated four point plan to improve shareholder value incorporating the recently announced acquisition of the Ashford Coking Coal Project⁶.

In the Company's current view:

- (a) the relative certainty of the Ashford Transaction (having executed a binding term sheet which subject to satisfaction of all conditions precedent will ultimately result in 100% control of the Ashford Project); and
- (b) the anticipated future global demand for coking coal as the world economy recovers from the COVID-19 pandemic,

will result in priority being given to advancing the Ashford Transaction, as the most promising project in the Company's portfolio at present.

Accordingly, the Company's revised strategy will be:

- (a) to strengthen the Company's balance sheet through a combination of the Offer, the issue of the Convertible Notes, and the conversion of debt into equity;
- (b) to pursue completion of Stage 1 of the Ashford Transaction;
- (c) following completion of Stage 1 of the Ashford Transaction, to undertake a feasibility study in respect of the Ashford Project and progress an application for a mining lease;
- (d) subject to:
 - (1) a satisfactory binding term being agreed with Lachlan Copper; and
 - (2) availability of funding,diversifying the Company's targeted commodities to include copper and gold in Lachlan Fold Belt (NSW);
- (e) increasing the metal inventory at the Taronga Tin Project and untested nickel/cobalt targets at Mt Cobalt; and
- (f) seeking a buyer for the Granville Tin Mine in Tasmania.

Restoring the balance sheet

In addition to undertaking the Offer to raise a minimum of \$1.2 million worth of cash, the Company:

- (a) plans to seek to convert at least a further \$1.66 million worth of debt into equity in the Company before 31 October 2020. This will include debt owed to DGR by the Company, and to Directors and other related parties, and Management. While the Company believes approximately \$600,000 worth of this debt will be converted pursuant to the Debt Conversion Facility (see Section 5.8), at least \$1.2 million of this debt will require shareholder approval. To that extent the Company intends to convene a general meeting as soon as possible to seek that approval;
- (b) has issued approximately \$110,000 worth of Convertible Notes (see Section 2.1 for the terms of these Convertible Notes). The Company may issue a further \$450,000 worth of Convertible

⁶ Refer to the investor presentation lodged on ASX on 14 August 2020.

Notes subject to BCP's agreement to arrange this further issue, and subject to the availability of the Company's placement capacity; and

- (c) as previously announced the Company has reduced fees payable to Directors and senior Management by 25% until 30 September 2020 (at which time the policy will be reviewed).

Convertible Note Issue

As announced on 31 July 2020⁷, the Company appointed BCP as Lead Manager for an issue of Convertible Notes to provide general working capital and to finance the costs of the Offer. The Company will not apply for quotation of the Convertible Notes. Pursuant to the terms of BCP's engagement⁸ BCP is to assist the Company with the issue of Convertible Notes to raise up to approximately \$500,000. BCP's fees include a management fee of 1% of the value of all funds raised through the issue of the Convertible Notes, and a placement fee of 5% of the value of all new Convertible Notes issued.

On 7 August 2020 the Company issued 122,222,222 Convertible Notes with an aggregate face value of \$110,000, to Sophisticated Investors, Professional Investors, and other investors to whom offers of securities are exempt from disclosure requirements under the Corporations Act, as identified by the Lead Manager BCP. Of these 11,111,111 Convertible Notes remain to be converted into Shares.

The terms of issue of the Convertible Notes are set out in a Convertible Redeemable Notes Trust Deed entered into between the Company and the trustee, Centec Securities Pty Ltd ACN 007 281 745. The key terms of issue are as follows:

- (a) The Convertible Notes have a face value of \$0.0009 each (the **Face Value**), and a maturity date of 31 December 2023 (the **Maturity Date**). At the Maturity Date the Company will repay the Face Value and any unpaid interest at the Maturity Date in cash. The Convertible Notes are unsecured.
- (b) Each Convertible Note bears interest at 15% p.a., paid half yearly in arrears on the stated Interest Payment Dates⁹ (**Interest**). Interest accrues from the date of issue of any Convertible Note. The Company may also issue Convertible Notes in lieu of Interest (at the Company's election) pursuant to the terms below.
- (c) Each Note is convertible at any time at the Noteholder's election into one ordinary share of the Company.
- (d) The Company may issue an Early Redemption Notice to Noteholders at any time after 31 December 2021. The Notes will be redeemed by the Company at 103% of their Face Value. Notwithstanding the issue of an Early Redemption Notice, a Noteholder may give a Conversion Notice in respect of any of its Notes which are the subject of the Redemption Notice, up to the day before the relevant Redemption Date.
- (e) Customary events of default are to be incorporated in the formal transaction documents, including but not limited to payment, redemption or conversion breaches, cross defaults, suspension from trading for more than 10 days and insolvency events.
- (f) No dividends may be declared or paid whilst the Convertible Notes are on issue.

⁷ See announcement made 31 July 2020 *Appointment of Lead Manager and Proposed Capital Raising*.

⁸ The terms of BCP engagement are set out under a standard BCP engagement letter dated 30 July 2020.

⁹ The Interest Payment Dates are 31 December 2020, 30 June 2021, 31 December 2021, 30 June 2022, 31 December 2022, 30 June 2023, 31 December 2023, the Redemption Date and the Conversion Date.

2.2 Ashford Coking Coal

As announced on 31 July 2020¹⁰, the Company entered into a binding term sheet with Laneway and **Renison**, a wholly owned subsidiary of Laneway, to acquire the Ashford Project (the **Ashford Transaction**). The Ashford Project is owned by Renison and has a Resource of 14.8Mt, with coal quality studies indicating a potential semi-hard coking coal product could be produced.

The Ashford Transaction will take place in two stages comprising:

- (a) Stage 1 being the purchase by the Company of a 40 percent interest in either the Ashford Project itself or the wholly-owned subsidiary of Laneway which owns the Ashford Project, in consideration for the issue of 20 percent of the enlarged share capital of the Company to Laneway (**Stage 1 Consideration**). The final structure of the acquisition will depend on what is most efficient for Laneway from a transfer duty, tax and regulatory perspective; and
- (b) Stage 2 being, an option (**Stage 2 Option**) for the Company to purchase the remaining 60 percent interest in the Ashford Project within three years for A\$7 million payable as to A\$2 million in cash and \$5 million in shares or cash at the election of the Company, plus an ongoing royalty payable to Laneway of \$0.50 per tonne of coal sold from the Ashford Project. The Stage 2 Option must be exercised before the third anniversary of the date on which the Stage 1 acquisition is completed (**Stage 1 Completion**).

Stage 1

Stage 1 of the Ashford Transaction is subject to a number of conditions including:

- (a) both the Company and Laneway conducting and being fully satisfied with the results of its legal, financial and technical due diligence;
- (b) the strengthening of the Company's balance sheet comprising of:
 - (1) a rights issues to raise a minimum of \$1.2 million in cash to fund exploration, development and corporate costs;
 - (2) the conversion of a minimum of \$1.66 million worth of debt into equity, subject to existing placement capacity and where necessary shareholder approval; and
 - (3) the entry into formal transaction documentation.

If these conditions have not been satisfied by 31 October 2020 then either the Company or Laneway may terminate the binding term sheet. As and from the Stage 1 Completion, Laneway will be entitled to nominate two Directors to the board of the Company.

Stage 2

Stage 2 of the Ashford Transaction is subject to a number of conditions including:

- (a) the granting of any shareholder or third-party approval required; and
- (b) the expiry, discharge or termination of the Lind Facility.

Where these conditions have not been satisfied by the third anniversary of the Stage 1 Completion, then Laneway may require the Company to sell the Stage 1 Interest back to Laneway for an amount equal to the aggregate of:

- (a) the value of the Stage 1 Consideration;

¹⁰ ASX announcement 31 July 2020, *Acquisition of Ashford Coal Project in NSW*

- (b) the value of all amounts expended by the Company in the development of the Ashford Project since the completion of Stage 1 (the **Pre-Stage 2 Expenditure**); and
- (c) an amount equal to 30% of the aggregate of the Stage 1 Consideration and the Pre—Stage 2 Expenditure.

On the completion of the acquisition of Stage 2, Laneway will be entitled to nominate the majority of Directors to the board of the Company.

Additionally, as from the Stage 1 Completion until such time as:

- (a) an additional \$1m of capital is raised by the Company (either through cash subscriptions or debt conversion) (the **Non-Lind Cap Raising**); and
- (b) \$1m worth of the Lind Facility is converted into equity in the Company or repaid (separate and in addition to the **Non-Lind Cap Raising**),

the Company will issue to Laneway (subject to the satisfaction of any necessary approvals), such additional shares as is necessary from time to time to ensure that Laneway holds 20% of the issued share capital of the Company.

Drivers for the Ashford Transaction

One of the drivers for the Company pursuing the Ashford Transaction is the forecast price rise for coking coal in the medium-term, as a result of increasing demand for coking coal to be used in steel production in China and India, as the global economy recovers from the COVID-19 pandemic.

Coal mining at Ashford dates back to 1884, and most recently the colliery operated until 1988 supplying a now closed local power station. Regionally, the Permian aged Ashford coal measures are expressed on a narrow (<10km) 80km long basin extending from the Queensland border south to Inverell. The Ashford coal measures unconformably overlies high-deformed, late-carboniferous sediments. The Ashford seam ranges from 0.2m to 24.4m in thickness with an interpreted thickness of greater than 9m for 3km of strike length.

The Ashford Project has a global JORC Resource of 14.8Mt within EL6234 comprising 6.5Mt of Indicated Resources and 8.3Mt of Inferred Resources. Coal quality studies have found that the Resources may qualify as semi-hard coking coal. Work undertaken by Laneway has indicated that of the total Resource, 9.4Mt are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4Mt are expected to be mined via high wall mining methods. Refer to the Company's ASX release of 31 July 2020 for further details.

2.3 Minerals Critical for Future Electrification

The Company continues to believe that there is potential upside for the Company in exploring for minerals critical for future electrification and energy storage, notably tin, cobalt and nickel. The Company notes that in 2017 Rio Tinto reported¹¹ tin, cobalt and nickel as metals to be most impacted by new technology due to increased demand and in the case of tin and cobalt, anticipated supply side constraints. On 16 April 2020¹² the Company announced that it was expanding its exploration portfolio to include copper and gold. Subject to availability of funding, the Company will aim to progress available opportunities arising from the current and increased anticipated demand for minerals such as cobalt, nickel and gold.

¹¹ Rio Tinto, Lithium and Battery Metals Conference, 18 March 2018. See <https://www.riotinto.com/en/invest/presentations/2018/Lithium-Conference>.

¹² See ASX announcement 16 April 2020 *Lachlan Fold Belt Copper Gold Project Farm-in Transaction*.

2.4 Lachlan Farm-in and Joint Venture

On 16 April 2020¹³, the Company announced that it had entered into a non-binding term sheet with Lachlan Copper setting out commercial terms for a farm-in on three exploration licences (EL's) held by Lachlan Copper, south of Orange in the Lachlan Fold Belt. There is renewed interest in exploration in the Lachlan Fold Belt following positive announcements from companies such as Alkane Resource Limited (ASX: ALK), Sky Metals Limited (ASX: SKY) and Magmatic Resources (ASX: MAG).¹⁴ The Company considers that the EL's are prospective for copper and gold, and as there has been limited modern exploration undertaken on them, the farm-in offers an exciting opportunity for the Company.

Pursuant to the terms of the non-binding term sheet, the Company will spend \$500,000 to earn an initial 51% interest in the three EL's. Thereafter the Company may spend an additional \$5,000,000 to earn an additional 29% interest (taking the Company's interest in the EL's to a total of 80%). The Company remains in negotiations with Lachlan Copper with respect to legally binding transaction documents.

2.5 Taronga Project

The Company has 100 percent ownership of the Taronga Tin Project located in northern NSW. A Pre-Feasibility Study (PFS) was completed in 2014 and demonstrated the technical and economic viability of the project¹⁵. In 2019¹⁶ the Company received regulatory approval for a 410,000 tonne trial mine and pilot plant but commencement was deferred due to prevailing drought conditions.

The PFS highlighted several areas of upside potential including feed grade, tin recovery and potential credits for copper and silver. The Company is intending to use some of the funds raised to progress a work program at Taronga, aimed at determining the true grade of the deposit. In their Mineral Resource (JORC 2012) report, Mining One noted a probable range of true grades between 0.19%Sn to 0.25%Sn, based on a trend observed whereby larger samples tended to provide a higher grade (the Support Effect), as evidenced by assay results for bulk samples collected for metallurgical pilot plant test work conducted by the previous owners (0.21 to 0.24%Sn). Increasing the average plant feed grade from 0.16%Sn to 0.19%Sn in the PFS base case would increase the NPV (8%) from AU\$63.15M to AU\$145.71M.

2.6 Mt Cobalt Project

The Mt Cobalt / Pembroke prospects are located west of Gympie (QLD). Drilling undertaken in 2018 returned high grades for an enriched cobalt-manganese oxide zone at Mt Cobalt¹⁷. 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.

2.7 Granville Tin Mine

The Granville Tin Mine (**Granville**) is located on the west coast of Tasmania. Granville comprises a high tin grade open-cut mine and processing plant and has been on care & maintenance since September 2019. The Company has previously announced plans to divest Granville. However, the sale process has been delayed by COVID-19 related travel restrictions. The Company remains committed to the divestiture of Granville, and in the interim the assets will remain on care & maintenance.

¹³ See ASX announcement 16 April 2020 *Lachlan Fold Belt Copper Gold Project Farm-in Transaction*.

¹⁴ For example see announcements from: ALK (23 March 2020); SKY (10 February 2020); and MAG (29 January 2020).

¹⁵ Refer ASX Announcement dated 7 April 2014 and available at www.austinmining.com.au. See

<https://wcsecure.weblink.com.au/pdf/ANW/01507167.pdf>

¹⁶ Refer ASX Announcement dated 13 May 2019.

¹⁷ Refer ASX Announcements dated 23 January 2018 and 16 February 2018.

3. Effect of Offer on capital structure and control.

3.1 Effect on capital structure

Subject to rounding down of fractional Entitlements (assuming full subscription under the Entitlement Offer and that none of the Existing Options are exercised before the Record Date), the capital structure of the Company following the issue of New Shares under the Capital Raising is expected to be as follows:

Shares on issue as at 17 August 2020 (date of the announcement of the Entitlement Offer)	3,051,996,286
New Shares to be issued under the Entitlement Offer	3,051,996,286
Shares on issue following the close of the Entitlement Offer and the Shortfall Share Offer ¹	6,103,992,572

In addition, the Company currently has:

- 105,704,485 Existing Options;
- 11,111,111 outstanding Convertible Notes; and
- 2 convertible securities on issue to Lind that may be exercised to convert approximately \$2.3 million worth of debt into Shares in accordance with the conversion mechanism in the Lind Facility.

As no further Options or other convertible securities will be issued pursuant to the Offer, the number of Options and other convertible securities on issue will not increase as a result of the Offer. If all Option Holders exercised their rights before the Record Date, it could result in a further 105,704,485 New Shares being issued pursuant to the Offer. However, as the exercise price of all Existing Options is currently higher than the Share price (as at the date of this Offer Booklet), it is unlikely that any Option Holders will exercise and participate in the Offer.

Given that the Face Value of the Convertible Notes is \$0.0009, it is possible that the holders of the Convertible Notes make exercise their rights to conversion before the Record Date. If all outstanding Convertible Notes were converted before the Record Date, then a further 11,111,111 New Shares may be issued pursuant to the Offer.

Given: the mechanics for conversion of the convertible securities issued under the Lind Facility; the amount outstanding under the Lind Facility; the Share price (as at the date of this Offer Booklet); and the restrictions imposed by the takeover provisions of the Corporations Act¹⁸ (the **Takeover Provisions**) the maximum number of additional New Shares that could be issued to Lind via conversion before the Record Date would be approximately 706,054,627¹⁹.

Assuming that all Existing Options were exercised (which given the Share Price as at the date of this Offer Booklet is unlikely), all outstanding Convertible Notes were converted, and Lind converted as much as it currently can without breaching the Takeover Provisions, an additional approximately 852,074,122 New Shares may be issued pursuant to the Offer. Assuming that Existing Options were exercised (which given the Share price is more likely to be the case), but that all outstanding Convertible Notes were converted, and Lind converted as much as it currently can without breaching the Takeover Provisions, an additional approximately 719,943,515 New Shares may be issued pursuant to the Offer.

¹⁸ Broadly speaking section 606 of the Corporations Act prohibits a party from acquiring a relevant interest in more than 20% of the voting shares of a public company without shareholder approval unless an exception applies

¹⁹ This assumes that no Existing Options are exercised nor any Convertible Notes converted.

3.2 Potential effects of the Entitlement Offer on control of Aus Tin Mining

(a) Effect in general

The Entitlement Offer is a *pro-rata* offer so that if all Eligible Shareholders take up their Entitlements and none of the Option Holders exercise their Existing Options and participate in the Entitlement Offer, the existing Voting Power of all Eligible Shareholders will remain substantially the same, as the number of Ineligible Shareholders is relatively small.

However, if only some Eligible Shareholders take up their Entitlements, those Eligible Shareholders who do not take up all of their Entitlements will (along with Ineligible Shareholders), have their interest in the Company diluted. Given the Company's allocation policy, the Company is not aware of any scenario in which it would be possible for a Shareholder or a person to acquire a Relevant Interest in more than 20% of the Company as a consequence of the Offer.

(b) Snap shot of possible change in positions of Substantial Shareholders²⁰

Shareholder	Current Number of Shares	Voting Power ⁴	Number of Shares on Offer Closing – assuming that it is the only major Shareholder to subscribe (along with Bd and Mgt)	Voting Power upon Offer Closing – assuming that it is the only major Shareholder to subscribe (along with Bd and Mgt) ⁵
DGR	362,197,351	11.87%	672,449,734 ¹	20%
Karl Hamann ²	277,829,794	9.1%	555,659,588	16.8%
Australian Mineral Investments Pty Ltd ³	256,000,000	8.4%	512,000,000	15.5%

The above table sets out the holdings of each of the Substantial Shareholders, in each case where the only Applicants are the relevant Shareholder itself (which takes up its full Entitlement), and the Board and Management which in aggregate will subscribe (through the conversion of debt) for approximately 381 million New Shares (see section 3.2(d) below for further details).

Notes to table:

¹ For further details concerning the Voting Power of DGR see paragraph (e) below. It also assumes that the Company scales back the issue to DGR in order to ensure that it does not hold greater than 19.9% of the Voting Power in the Company. Without this scale-back, DGR's Voting Power would equal **21.2%** or **724,394,702** Shares.

² This includes a number of holdings of Associates.

³ This includes a number of holdings of Associates.

^{4 & 5} These percentages assume that: the Entitlement Offer is fully subscribed; none of the Existing Options are exercised; and none of the Convertible Notes and other convertible securities are converted. If any of these assumptions prove incorrect, then these percentages will change accordingly.

²⁰ "Substantial Shareholders" are those Shareholders who hold a Relevant Interest of 5% or more in the Voting Shares of the Company.

(c) **DGR's Relevant Interest in Voting Shares (Voting Power)**

DGR currently has a Relevant Interest in 362,197,351 Shares (12.8%) of the Company. DGR has an Entitlement of some 362,197,351 New Shares under the Entitlement Offer and proposes to take up as much of its Entitlement as possible through the conversion of debt: the Company will scale back the issue to DGR in order to ensure that it does not hold greater than 19.9% of the Voting Power in the Company. DGR's present relevant interest and changes under various possible scenarios are set out in the following table below.

Event	Shares held DGR	Voting Power DGR
Date of Offer Booklet	362,197,351	11.87%
Entitlement Offer fully subscribed (including DGR)	724,394,702	11.87%
Entitlement Offer 75% subscribed (including DGR)	724,394,702	13.56%
Entitlement Offer 50% subscribed (including DGR)	724,394,702	15.82%
Entitlement Offer 25% subscribed (including DGR)	724,394,702	19.00%
Entitlement Offer 0% subscribed (apart from DGR)	672,449,734	20%

The numbers in this table assume that: the Entitlement Offer is fully subscribed; none of the Existing Options are exercised; and none of the Convertible Notes and other convertible securities are converted. If any of these assumptions prove incorrect, then these numbers will change accordingly.

(d) **Directors' Interests and Participation**

Director	Current Shares	Voting Power	Entitlement	\$
Brian Moller	21,104,932	0.75%	21,104,932	\$21,105
Nicholas Mather	91,462,257	3.23%	91,462,257	\$91,462
Richard Willson	5,827,970	0.21%	5,827,970	\$5,828

The Board and Management has committed to convert an aggregate of approximately \$343,000 in unpaid fees into the Entitlement Offer. The Company notes that under Listing Rule 10.11 the Company is prevented from issuing Shortfall Shares to any Shareholder who is a Related Party (which includes all of the Directors and any entities that they control), without Shareholder approval unless that issue would fit within one of the exceptions in Listing Rule 10.12. The Company is not aware of any exception listed in Listing Rule 10.12 that would apply in the current circumstances. Accordingly, it is not possible for a Related Party Shareholder to increase its Relevant Interest by subscribing for Shortfall Shares.

3.3 Director and major Shareholder intentions

All of the Directors and some of the Company's largest Shareholders have shown their support for the Entitlement Offer by indicating that they intend to subscribe for some or all of their Entitlements under the Offer.

4. Risks

Investing in New Shares in the Company involves some risk. There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company and the value of your investment in the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about subscribing for New Shares in the Company, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

The New Shares offered under this Offer Booklet carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to the future performance of the Company. As with any equity investment, substantial fluctuations in the value of your investment may occur. This Offer Booklet does not set out all the risks you may face in applying for, and holding, additional Shares in the Company.

The key risks are summarised below:

Key Business risk	Description
Ongoing funding requirements	<p>The Company's ability to raise further funding to meet both its operating and capital expenditure requirements depend upon a number of different factors. Most recently the Company has been dependent upon funding provided pursuant to the Lind Facility (discussed immediately below). It is unlikely that the Company will obtain further funds from The Lind Partners (Lind). It is unlikely that the Company will be able to obtain any debt financing. Were it able to secure such debt financing, the Company would likely be required to accept restrictions on its operating activities. The Company's operations are unlikely to generate any or sufficient cash flow to meet the Company operating and capital expenditure needs in the near or medium terms.</p> <p>Meanwhile the Company's ability to raise further equity financing is very sensitive to negative market sentiment, and the recent global economic outlook may make it challenging for the Company to raise new equity capital in the near future (particularly in light of the disruption to international trade and travel, and likely global economic contraction as a result of government and private sector reactions to the COVID 19 pandemic). Accordingly, there is no guarantee that the Company will be able to secure additional funding on terms favourable to the Company. Further the Company notes that to the extent that the Company can raise further additional equity, that financing will dilute existing Shareholders. If the Company is unable to obtain additional financing as required, it may not have sufficient working capital to be able to meet its financial commitments as and when they arise, and will be unable to further progress its exploration programs.</p>
Lind Facility	<p>During 2018 the Company entered two funding packages with Lind structured as convertible securities with a Face Value of \$4.5M. The obligations of the Company to Lind are secured by general and specific security over all of the assets and undertakings of the Company and each of its subsidiaries (the Security). The current amount outstanding under the convertible securities is \$2.4M. On-going reductions in the amount outstanding are achieved through the conversion of those convertible securities into Shares. If for any reason the Company is not able to issue Shares to Lind in accordance with the terms</p>

	<p>of the funding agreement (or alternatively to pay Lind cash to meet the Company's obligations under the convertible security), Lind may exercise the Security.</p>
Ashford Transaction Completion Risk	<p>While the Company has entered into a binding term sheet with Laneway, and is committed to completing the Ashford Transaction as soon as possible, both Stage 1 and Stage 2 of the Ashford Transaction are subject to conditions precedent which the Company cannot be certain that it will satisfy. These include:</p> <p>(a) with respect to Stage 1, the raising of \$1.2 million in cash and the conversion of \$1.66 million of debt into equity by no later than 31 October 2020; and</p> <p>(b) with respect to Stage 2, the conversion or repayment of the Lind Facility within three years of the Stage 1 Completion.</p> <p>If the conditions precedent to either stage cannot be satisfied by the time stipulated and Laneway does not agree to an extension of the relevant deadline, the Company will not be able to pursue the Ashford Transaction. If the Company cannot pursue the Ashford Transaction the Company may not be able to attract further equity or debt funding.</p>
Lachlan Copper Risk	<p>Whilst the Company has entered into a non-binding term sheet with Lachlan Copper setting out commercial terms for a farm-in on three exploration licences (EL's) held by Lachlan Copper, south of Orange in the Lachlan Fold Belt, it remains in negotiations with Lachlan Copper with respect to legally binding transaction documents. If the Company is unable to enter into a binding farm-in agreement, then the Company will not be able to pursue the Lachlan Copper Transaction.</p>
COVID 19 Pandemic and natural disasters	<p>The performance of the Company will continue to be influenced by the overall condition of various markets for commodities that are the subject of the Company's exploration and mining ambitions. In addition, the Company's ability to continue operating is dependent on the health of the capital markets (both debt and equity) which the Company needs to access in order to fund its ongoing operations. While these markets are always influenced by the general condition of the wider economy, the COVID – 19 Pandemic has had a materially adverse effect on, and continues to have such an effect on these markets.</p> <p>The events relating to the COVID 19 Pandemic have recently resulted in significant market falls and volatility in the prices for securities trading on the ASX and on other foreign securities exchanges. There is continued uncertainty as to the future impact of the COVID 19 Pandemic including relation to government action, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy and securities markets, as well as those in countries where there may be a demand for the Company's target commodities. In light of recent Australian global macroeconomic events, including though not limited to the impact of COVID 19 Pandemic, bushfires and droughts (along with other factors), it is likely that Australia will experience an economic recession or downturn of uncertain severity and duration, which would further impact on the Company's operations.</p>
Operational risks	<p>Prosperity for the Company and its subsidiaries will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors.</p>

	<p>The operations of the Company and its subsidiaries may be disrupted by a variety of risks and hazards which are beyond the control of the Company.</p> <p>Exploration has been and will continue to be hampered on occasions by accidents, unforeseen cost changes, environmental considerations, unforeseen weather events, and other natural events including but not limited to the COVID 19 Pandemic, bushfires and droughts in those geographical areas in which the Company undertakes its businesses.</p>
Government policy and taxation	Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia (at Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of Company.
Commodity prices	The Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in exploration programs of the Company and its subsidiaries. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions. These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring the Company's projects to market. As noted else above, the events relating to the COVID 19 Pandemic have had a significant impact on global demand for the Company's target commodities. It is difficult if not impossible to accurately predict the direction of those markets in the short or medium terms.
Tenement risks	All exploration permits in which Company has an interest (directly or indirectly) will require compliance with certain levels of expenditure and renewal from time to time. If for any reason expenditure requirements are not met or a licence or permit is not renewed then Company may suffer damage and as a result may be denied the opportunity to develop certain mineral resources.
Land Access risks	Land access is critical for exploration and evaluation to succeed. Access to land for exploration purposes can be affected by factors such as land ownership and Native title claims.
Environmental risks	The various tenements which the Company has interests in (whether directly or indirectly) are subject to laws and regulations regarding environmental matters, which mean there are potential liability risks.
Exploration and production	Tenements in which the Company or its Related Bodies Corporate has an interest are at various stages of exploration. There can be no assurance that exploration of the project areas will result in the discovery of an economic reserve.
Contractual risk	The Company's ability to efficiently conduct its operations in a number of respects depends upon a third-party product and service providers and contracts have, in some circumstances, been entered into by the Company and its subsidiaries in this regard. Any default under such contracts by a third party may adversely affect the Company.

5. How to Apply

5.1 Your choices as an Eligible Shareholder

The number of New Shares to which each Eligible Shareholder is entitled (**Entitlement**) is calculated as at 7:00pm (AEST) on the Record Date of 20 August 2020 and is shown on the personalised Entitlement and Acceptance Form accompanying this Offer Booklet.

Eligible Shareholders may:

- (a) take up their Entitlement in full, and if they do so, they may apply for Additional New Shares under the Shortfall Facility (refer to Sections 5.2 and 5.3);
- (b) take up part of their Entitlement, in which case the balance of the Entitlement would lapse (refer to Section 5.4); or
- (c) allow their Entitlement to lapse (refer to Section 5.5).

The Company reserves the right to reject any Application that is received after the Closing Date. The Closing Date for acceptance of the Entitlement Offer is **5:00pm (AEST) on Friday, 18 September 2020**.

Ineligible Shareholders may not take up any of their Entitlements.

5.2 Taking up your Entitlement in full

If you wish to take up your Entitlement in full, follow the instructions set out on the Entitlement and Acceptance Form.

Please return your completed Entitlement and Acceptance Form and either:

- (a) indicate on that Form (as provided for), that you wish to settle subscription obligations in whole or in part through the conversion of debt owed to you by the Company; or
- (b) or pay your Application Monies in accordance with Section 5.7 for the amount shown on the Entitlement and Acceptance Form,

in each case to the Share Registry, so that your completed Entitlement and Acceptance Form (and if applicable your Application Monies) is received no later than **5.00pm (AEST) on Friday, 18 September 2020** at the address set out below:

By post

Aus Tin Mining Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001.

Please note that due to COVID-19 restrictions, the Registry will not accept hand delivered paperwork. Similarly, Entitlement and Acceptance Forms will not be accepted at the Company's registered office.

You may also take up all of your Entitlement by payment of the Application Monies through BPay in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPay, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than **5.00pm (AEST) on Friday, 18 September 2020**.

Refund amounts, if any, will be paid in Australian dollars. You will be paid by cheque sent by ordinary post to your address as recorded on the Share Register.

5.3 Taking up your Entitlement in full and applying for Shortfall Shares

A Shortfall will exist if any Eligible Shareholder does not take up their full Entitlement. Additional New Shares applied for will only be allocated and issued if any Eligible Shareholders do not apply for their full Entitlements, and therefore a Shortfall exists – the Entitlement Offer is undersubscribed.

Allocation and allotment of any Additional New Shares applied for will be made in accordance with the following policy:

- (a) The Directors will allocate the Shortfall Shares to Eligible Shareholders who have indicated they wish to take up Additional New Shares as provided for in Section 5.2 and 5.3.
- (b) These Additional New Shares will be allocated on a *pro-rata* basis if there is a greater demand than available shares.
- (c) No Related Party or Eligible Shareholder associated with them will be entitled to participate in the Shortfall Facility.
- (d) The Company will not allocate or issue Additional New Shares under the Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law. Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances.
- (e) There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional New Shares that they apply for. The Company may reject any application for Additional New Shares or allocate fewer Additional New Shares than applied for by Applicants for Additional New Shares in accordance with the policy set out above.

5.4 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part only of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required in accordance with Section 5.2 above.

5.5 Allowing your Entitlement to lapse

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

5.6 Consequences of not taking up your Entitlement

If you do not take up all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Entitlement Offer, may be issued by the Directors to other Eligible Shareholders pursuant to an application by them for Shortfall Shares.

5.7 Payment

The consideration for the New Shares is payable in full on Application at the rate of \$0.001 per New Share.

The Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank and made payable to '**Aus Tin Mining Limited**' and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPay in accordance with the instructions on the Entitlement and Acceptance Form.



You may arrange for payment through BPay in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPay and the Company receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an Application for as many New Shares as your Reduced Amount will pay for in full.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

5.8 Debt Conversion Facility

If in addition to being an Eligible Shareholder you are also a creditor of the Company, you may elect to take up your Entitlement (or Shortfall Shares) by means of the conversion of some or all of the existing debt owed to you by the Company. The conversion will be undertaken on a dollar for dollar basis at the Issue Price, and in the case of any fractional entitlements, the number of New Shares arising from the conversion of the debt shall be rounded to the nearest whole number. The election to settle the subscription amounts owing in respect of your Entitlement or subscription for Shortfall Shares by conversion of an existing Shareholder Debt, is provided for on the Entitlement and Acceptance Form.

For clarity, the debt conversion facility does not enable any creditor Shareholders to take up more New Shares under the Offer than if the facility was not available. For example, DGR is a creditor of the Company at the date of this Entitlement Offer and is owed approximately \$1,063,523. However, as DGR's Entitlement is only 362,197,351 New Shares (the Application Money for which is only \$362,197.35), less than 65% of this amount will be converted.

Collectively, the Board and Management are owed approximately \$953,826 in unpaid fees and wages, and have committed to converting an aggregate amount of approximately \$343,000 under the Entitlement Offer, noting that Directors are limited to converting to the limit of their Entitlement.

As noted in Section 2.1 the Company intends to convene a Shareholders meeting to seek Shareholder approval to be able to convert the remaining debt owed to each of DGR, the Board and Management, which as at the date of this Offer Booklet is:

- (a) \$701,326 owed to DGR into equity in the Company (subject to the Company converting some or all of this pursuant to its existing capacity); and
- (b) \$217,990 owed to the Board and Management,

as soon as possible following the date of this Offer Booklet.

5.9 Binding effect of Entitlement and Acceptance Form

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPay, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPay, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;

- (b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside the prescribed jurisdiction (if registration is required); and
- (c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

5.10 Brokerage, handling fees and stamp duty

No brokerage, handling fees or stamp duty is payable by Applicants in respect of their applications for New Shares under this Offer Booklet. The amount payable on acceptance will not vary during the period of the Entitlement Offer and no further amount is payable on allotment.

Application Monies will be held in trust in a subscription account until allotment of the New Shares. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Application Monies will be retained by the Company irrespective of whether allotment takes place.

6. Additional information

6.1 Section 708AA Corporations Act

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules. This Offer Booklet is issued under section 708AA of the Corporations Act. This section enables disclosing entities to issue an Offer Booklet in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Offer Booklet, or options to acquire such securities. Apart from formal matters, this Offer Booklet need only contain information that:

- (a) is excluded information as at the date of the Offer Booklet pursuant to sections 708AA (8) and (9) (**Excluded Information**); and
- (b) states:
 - (1) the potential effect the issue of the New Shares will have on the control of the Company; and
 - (2) the consequences of that effect.

In addition, as a result of ASIC Class Order 08/35, section 708AA(12) requires that if, after the notice required under section 708AA(2)(f) (**Cleansing Notice**) has been lodged and before the New Shares are issued (**Relevant Period**) the Company becomes aware of:

- (a) any information that would be Excluded Information for the purpose of the Cleansing Notice; or
- (b) a material change to the potential effect the issue of the relevant securities will have on the control of the Company or the consequences of that effect,

(**Additional Information**), the Company must disclose that Additional Information to the ASX as soon as practicable and before the end of the Relevant Period. Accordingly, the Company will disclose by announcement to the ASX any Additional Information that it becomes aware of during the Relevant Period.

6.2 Rights and liabilities attaching to New Shares

The New Shares will have from issue the same rights attaching to all existing Shares on issue. The rights attaching to ownership of the New Shares are set out in the Constitution, a copy of which is available for inspection at the registered office of the Company during business hours or via the ASX Market Announcements platform. This Offer Booklet does not contain a summary of the principal rights and liabilities of holders of the New Shares.

6.3 Expenses of the Entitlement Offer

All expenses connected with the Entitlement Offer are being borne by the Company. Total expenses of the Entitlement Offer are estimated as at the date of this Offer Booklet to be no more than \$80,000 (assuming that the Entitlement Offer is fully subscribed). These expenses include, amongst other things legal fees, ASX listing fees, share registry fees and printing and postage costs. In addition the Company may if it deems it necessary for the success of the Entitlement Offer, pay brokers' stamping fees which will be equal to a percentage of the Issue Price (including GST) of New Shares issued under either the Entitlement Offer and the Shortfall Share Offer to stockbrokers who submit a valid claim for a broker stamping fee on successful Applications.

6.4 Consents and disclaimers

Written consents to the issue of this Offer Booklet have been given and at the time of this Offer Booklet have not been withdrawn by the following parties:

Link Market Services Limited has given and has not withdrawn its consent to be named in this Offer Booklet as the Share Registry of the Company in the form and context in which it is named. It has had no involvement in the preparation of any part of this Offer Booklet other than recording its name as Share Registry to the Company. It takes no responsibility for any part of the Offer Booklet other than the references to its name.

HopgoodGanim has given and has not withdrawn its consent to be named in this Offer Booklet as solicitors to the Company for the Entitlement Offer in the form and context in which it is named. It takes no responsibility for any part of the Offer Booklet other than references to its name.

6.5 Directors' statement

This Offer Booklet is issued by Aus Tin Mining Limited. Each Director has consented to the lodgement of the Offer Booklet with ASX.

Signed on the date of this Offer Booklet on behalf of Aus Tin Mining Limited by:



Brian Moller
Non-Executive Chairman
Aus Tin Mining Limited

7. Definitions and Glossary

Terms and abbreviations used in this Offer Booklet have the following meaning:

Acceptance	An acceptance of Entitlements.
Applicant	An Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or arranging for payment through BPay in accordance with the instructions on the Entitlement and Acceptance Form.
Application	The submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPay in accordance with the instructions on the Entitlement and Acceptance Form.
Application Money	The aggregate amount payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPay, calculated as the Issue Price multiplied by the number of New Shares applied for.
ASIC	Australian Securities & Investments Commission.
Ashford Coal Project	Exploration Licenses (EL 6234, EL 6428) and associated infrastructure located approximately 10km north of the Ashford township in northern NSW, located approximately 50km west of the Company's Taronga Tin Project.
Ashford Transaction	Has the meaning given to it in Section 2.2.
Associate	Has the meaning given to that term in the Corporations Act.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as applicable.
BCP	Bizzell Capital Partners Ltd.
Board	The board of Directors of the Company.
Business Day	Has the same meaning as ascribed to that term in the Listing Rules.
Capital Raising	The Entitlement Offer and the Shortfall Share Offer.
CHESS	The Clearing House Electronic Sub Register System, an automated transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in paperless form.
Closing Date	Friday, 18 September 2020, the date the Entitlement Offer closes.
Company or Aus Tin Mining	Aus Tin Mining Limited ACN 122 957 322.
Convertible Notes	Has the meaning given to it in section 2.1.
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).

Debt Conversion Facility	The facility described in Section 5.8 whereby the Issue Price for New Shares is satisfied in whole or in part by an Eligible Shareholder converting some or all of its Shareholder Debts.
DGR	DGR Global Ltd ACN 052 354 837.
Director	A Director of the Company.
Eligible Shareholder	A Shareholder on the Record Date who has a registered address in the Prescribed Jurisdictions, or is a Shareholder that the Company has otherwise determined is eligible to participate.
Entitlements	The entitlement to subscribe for a specific number of New Shares pursuant to the Entitlement Offer.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Offer Booklet.
Entitlement Offer or Offer	The non-renounceable offer to Eligible Shareholders to subscribe for 1 New Share for every Share of which the Shareholder is the registered holder on the Record Date, at an issue price of \$0.001 per New Share pursuant to this Offer Booklet.
Existing Options	All existing options to subscribe for Shares currently on issue as at the date of this Offer Booklet.
Granville	The assets and undertakings constitution owned by Ten Star Mining Pty Ltd (a wholly owned subsidiary of the Company), constituting the tin mine situated on the west coast of Tasmania.
Ineligible Shareholder	A Shareholder (or beneficial holder of Shares) who is a Shareholder on the Record Date with a registered address outside of the Prescribed Jurisdictions.
Issue Price	\$0.001 for each New Share applied for.
JORC Code	<i>Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition.</i>
Lachlan Copper	Lachlan Copper Pty Ltd.
Laneway	Laneway Resources Limited (ASX: LNY).
Lind	Has the meaning given to that term in the table in Section 4.
Lind Facility	Is the facility of that name described in the table in Section 4.
Listing Rules	The listing rules of the ASX.
Management	The senior management of the Company as distinct from its Directors, although an individual may be both a member of the Board and Management.
New Shares	Shares to be allotted and issued under the Entitlement Offer, or the Shortfall Share Offer.
Offer Booklet	This document.
Opening Date	Tuesday 25 August 2020, the date the Entitlement Offer opens.
Option Holders	The holders of the Existing Options.

Options	Options to subscribe for Shares, on issue in the Company from time to time.
Prescribed Jurisdictions	Australia, New Zealand, Hong Kong and any other jurisdiction in which the Company subsequently determines that it may make the Offer.
Professional Investor	Has the Meaning given to it in the Corporations Act.
Record Date	Thursday 7.00pm (AEST) on 20 August 2020.
Register of Members	The register of members of the Company.
Relevant Interest	Has the meaning given to that term in the Corporations Act.
Resource	Has the meaning given to it in the JORC Code.
Renison	Renison Coal Pty Ltd a wholly-owned subsidiary of Laneway and the owner of the Ashford Project.
Share	A fully paid ordinary share in the capital of the Company.
Share Register	Register of Members maintained by the Share Registry on behalf of the Company for the purposes of section 169 of the Corporations Act.
Share Registry	Link Market Services Limited ACN 083 214 537.
Shareholder	A holder of Shares.
Shareholder Debts	Debts owed by the Company to an Eligible Shareholder.
Shortfall Facility	The facility described in Section 5.8 under which Eligible Shareholders may apply for additional New Shares in excess of their Entitlement.
Shortfall or Shortfall Shares	Any New Shares not taken up pursuant to the Entitlement Offer that are issued pursuant to the Shortfall Share Offer and the Shortfall Facility.
Shortfall Share Offer	The offer of Shortfall Shares to be issued pursuant to the Shortfall Facility, which is a “related offer” for the purposes of section 708AA(2)(a) as amended by <i>ASIC Corporations (Non—Traditional Rights Issues) Instrument 2016/84</i> .
Sophisticated Investor	Has the meaning given to it in the Corporations Act.
Stage 1	Has the meaning given to Section 2.2
Stage 2	Has the meaning given to Section 2.2
Substantial Shareholder	A substantial Shareholder of the Company as set out in Section 3.2(b) of this Offer Booklet.
Taronga Tin Project	The project detailed in Section 2.5.
Voting Power	Has the meaning given to that term in the Corporations Act.
Voting Share	Has the meaning given to that term in the Corporations Act.

Corporate Directory

Directors and Company Secretary	Solicitors to the Capital Raising
<p>Mr Brian Moller (Non-Executive Chairman) Mr Nicholas Mather (Non-Executive Director) Mr Richard Willson (Non-Executive Director)</p> <p>Karl Schlobohm (Company Secretary)</p>	<p>HopgoodGanim Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000 Tel: +61 7 3024 0000 www.hopgoodganim.com.au</p>
Administration, Principal Place of Business and Registered Office	Share Registry
<p>Aus Tin Mining Limited Level 27, 111 Eagle Street Brisbane QLD 4000 Tel: (07) 3303 0611 www.austinmining.com.au</p>	<p>Link Market Services Limited Level 15, 324 Queen Street Brisbane QLD 4000 Tel: 1300 554 474 www.linkmarketservices.com.au</p>