



## ASX Announcement

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

19 April 2021

## Ashford Coking Coal Project - Stage 1 Acquisition Completed Mackenzie Coking Coal Project Acquisition Optionality Extended

Further to its previous market releases, the Board of Directors of Aus Tin Mining Limited (**Aus Tin, the Company, ASX:ANW**) is pleased to advise that all conditions for completion of Stage 1 of its acquisition of the Ashford Coking Coal Project have now been satisfied.

### Ashford Coking Coal Project (Ashford Project)

The Company and the vendor of the Ashford Coking Coal Project (Laneway Resources Ltd, ASX:LNY (**Laneway**)) have now executed a Share Acquisition Agreement (**SAA**) and satisfied all conditions under the SAA enabling completion of Stage 1 of the acquisition of the Ashford Project by the Company (**Stage 1**) to occur today. Aus Tin will now hold a 40% shareholding interest (the **Renison Shares**) in Renison Coal Pty Ltd (the owner of the Ashford Project) (**Renison Coal**), and Laneway will hold a 20% shareholding interest in Aus Tin (**Laneway Shares**). The parties have also entered into a Shareholders Agreement with respect to their interests in Renison Coal.

An Appendix 2A with respect to the issue of the Laneway Shares by the Company will be lodged separately with ASX today.

The terms of the SAA and the Shareholders Agreement materially reflect the terms of the Binding Term Sheet previously announced by the Company on 31 July 2020 and 3 February 2021, save for:

1. EL 6234 is one of two coal exploration licenses held by Renison Coal. EL 6234 is due for renewal on 19 April 2021 for which a renewal application has been lodged by Renison Coal with the NSW Government (the **Renewal**). Until Renewal the Laneway Shares will be held in escrow. In the event that Renewal is not granted and Laneway has exhausted all appeal or administrative review rights in relation to the proposed Renewal, the SAA provides a mechanism to cancel the Laneway Shares, and ANW to transfer the Renison Shares back to Laneway. The cancellation of the Laneway Shares would require a special resolution of ANW shareholders, failing which the SAA provides that ANW may direct Laneway to sell the shares and provide the proceeds to ANW. However, the parties have no reason to believe that the Renewal will not occur.
2. Laneway's "top up rights" have been clarified: following completion of Stage 1, Laneway has the right to call for the issue to it of up to 500 million additional ANW shares provided that Laneway does not hold more than 20% of the issued share capital of ANW as a result.
3. ANW's right of nomination of Directors to the Renison Coal Board have been clarified: as at the completion of Stage 1 ANW is entitled to appoint two of the five Directors of the Renison Board. For every additional 20% of Renison Coal that it holds, ANW is entitled to appoint a further Director.
4. Laneway's rights of nomination of Directors to the ANW Board have been clarified: from the completion of Stage 1, Laneway is entitled to two Directors to the ANW Board. For every additional 20% of ANW that it holds after that, Laneway is entitled to appoint a further Director.

A short summary of the Ashford Project is attached as Appendix 1.

## **Mackenzie Coking Coal Project**

The Company and Resources and Energy Investments Pty Ltd (**REI**) (the entity acquiring the rights to the Mackenzie Coking Coal Project) have mutually agreed to amend the Binding Term Sheet announced on 23 October 2020, so as to extend the conditions date through to 31 July 2022. Where the relevant conditions have not been satisfied by this date, either party may terminate the Binding Term Sheet. In those circumstances the \$50,000 deposit paid by ANW to REI in October 2020 will be refunded to ANW.

Further updates will be provided as matters relevant to these projects continue to progress.

*This Announcement has been authorised by the Board of Directors*

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

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## Appendix 1 - Ashford Coking Coal Project

The Ashford Project comprises two granted Exploration Licenses (EL 6234, EL 6428) located approximately 10km north of the Ashford township in northern NSW (Figure 1). Coal mining at Ashford dates back to 1884 and most recently the colliery operated until 1988 supplying a now closed local power station. The Ashford Project is approximately 50km west of the Company's Taronga Tin Project and approximately 100km west of the Inland Rail's proposed route.

Regionally the Permian aged Ashford coal measures are expressed as a narrow (<10km) 80km long basin extending from the Queensland border south to Inverell and unconformably overlies high deformed late carboniferous sediments. The Ashford seam ranges from 0.2m to 24.4m in thickness and makes up the principal resource within EL6234<sup>2</sup>.

The Ashford Project has a resource of 14.8Mt within EL6234 comprising 6.5Mt of Indicated Resources and 8.3Mt of Inferred Resources and coal quality studies found the resources could qualify as semi-hard coking coal<sup>1</sup>. Work undertaken by Laneway has indicated of the total resource, 9.4Mt is 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 is expected to be mined via high wall mining methods. Laneway had intended to commission a feasibility study for the Ashford Project and progress a mining lease application, but more recently have focused on its Queensland gold project.

The Ashford Project was independently valued between A\$13 million and A\$17 million in 2011<sup>2</sup>.

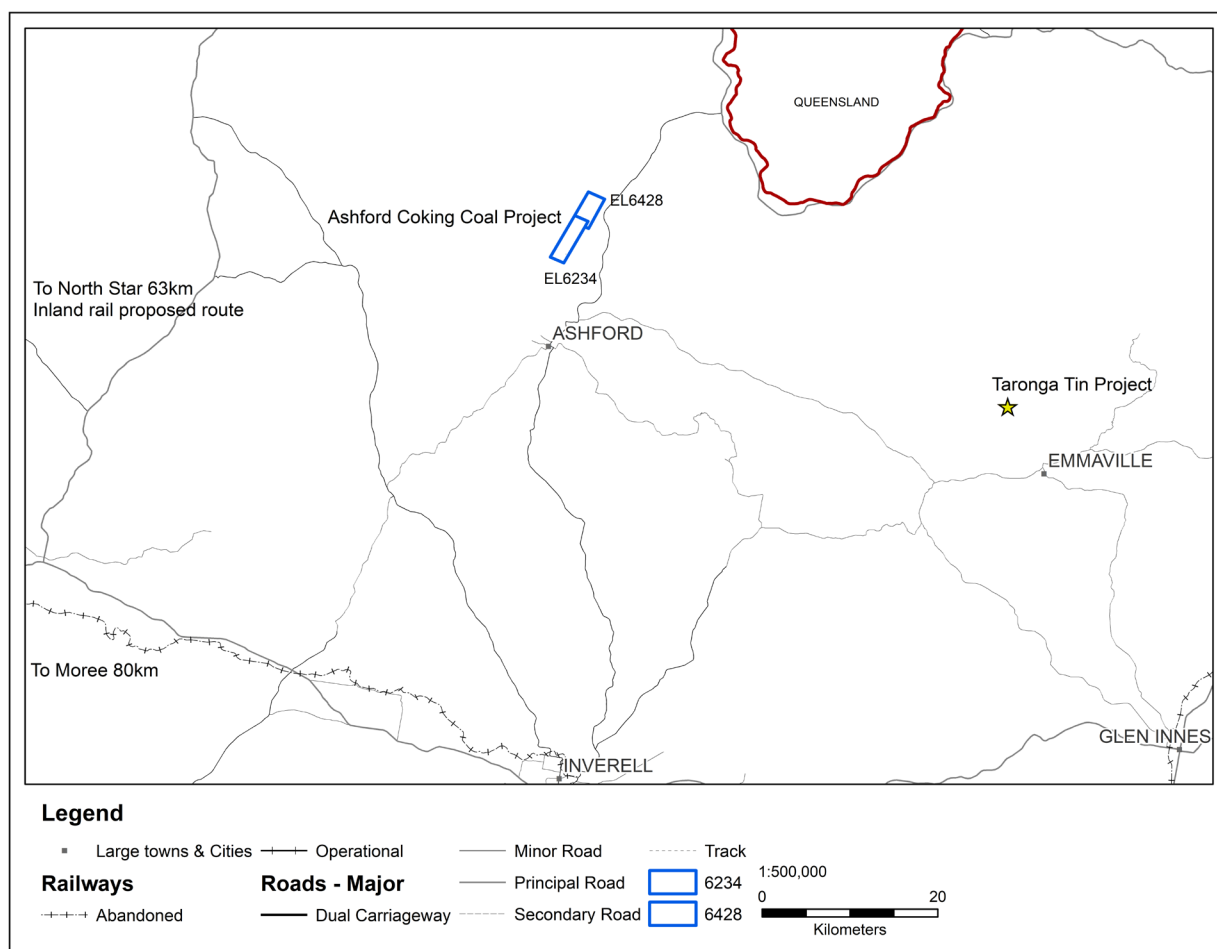


Figure 1 – Location of Ashford Coking Coal Project relative to the Taronga Tin Project

<sup>1</sup> Refer Laneway Resources Limited ASX Announcement dated 20 November 2017

<sup>2</sup> Refer to the Independent Expert's Report in Northern Energy Corporation Limited's Target Statement per ASX Announcement dated 22 September 2011

Once the Stage 1 acquisition has been bedded down, Aus Tin Mining intends to undertake a Feasibility Study and progress a Mining Lease Application. With the Federal Government having announced the fast tracking of construction for the Inland Rail project<sup>3</sup> the Company will evaluate as part of the Feasibility Study the opportunity to utilize this infrastructure to unlock the Ashford Project for export through Brisbane or Newcastle. The Company has previously completed a Pre-Feasibility Study for its Taronga Tin Project east of the Ashford Project and is experienced with the NSW regulatory environment, having previously secured the necessary approvals for initial mining activities at Taronga.

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<sup>3</sup> Source: Prime Minister of Australia ([www.pm.gov.au](http://www.pm.gov.au)); CEDA 's State of the Nation Conference; 15 June 2020