

**ASX CODE: CSD**



**ABOUT CSD**

Consolidated Tin Mines Limited is an Australian Listed tin focused company developing a large scale tin project at Mt Garnet in the lower Herberton Tinfield in north Queensland



**CAPITAL STRUCTURE**

Snow Peak	25.4%
Ralph De Lacey	6.5%
Beacon Minerals	5.9%
Geocrystal	3.3%
John Sainsbury	2.4%



**OBJECTIVE**

To become Australia's premier tin producing company



**STRATEGY**

To develop and establish tin production by 2015 and focus on increasing mine life and production profile by developing other tin production opportunities within the broader Mt Garnet Tin Project area



**Snapshot:**

Current CSD Share Price: **\$0.050**

Current LME Tin Price: **US\$19,410**

Detailed information at [www.cstdtin.com.au](http://www.cstdtin.com.au)

## Consolidated Tin Mines signs Agreement to acquire all Snow Peak Mining assets

**HIGHLIGHTS**

- Consolidated Tin Mines Limited (CSD or the Company) has signed an agreement with Snow Peak Mining Pty Ltd (SPM) for the acquisition of all SPM assets, subject to CSD shareholder approval, as referenced in the MOU which was announced to the ASX on 7<sup>th</sup> July 2014.
- The proposed transaction comprises the acquisition of all SPM assets including the operating Mt Garnet Concentrator Facility), plus the Surveyor-Balcooma mine, the Einasleigh and Maitland projects, all associated mining tenements, mining plant and equipment, mineral rights agreements and associated mining information.
- CSD will issue consideration of 580,000,000 ordinary fully paid shares (Consideration Shares), a convertible note for \$16.5M to SPM, and pay \$2 million over 12 months in four equal quarterly instalments. The Consideration Shares will be subject to a two year voluntary escrow period.
- The acquisition is subject to the satisfaction of various conditions precedent, including the approval of CSD shareholders at an Extraordinary General Meeting which will include an Independent Expert's Report and details of the SPM assets; the EGM is scheduled for a date to be set in December 2014.

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**27 October 2014**

Australian tin exploration and development company Consolidated Tin Mines Limited (ASX: CSD) is pleased to announce that it signed an agreement with SPM to acquire SPM's entire suite of assets, subject to CSD shareholder approval. This follows the previously announced Memorandum of Understanding, released to ASX on 7<sup>th</sup> July 2014.

Under this Agreement, the Company proposes to acquire the entire suite of assets owned by SPM, including the Mt Garnet concentrator facility and associated tenements, the Surveyor-Balcooma mine and the Einasleigh & Maitland projects and associated mining tenements, mining plant and equipment, and all mining information and associated mining information, plus the Baal Gammon Minerals Rights Agreement (MRA); the transaction includes the replacement of environmental bonds and liability, and the transfer of all existing employees.

In consideration for the assets, it is proposed that: CSD will issue to SPM 580,000,000 fully paid ordinary CSD shares (Consideration Shares); CSD will issue a convertible note for \$16.5 million which will be convertible into 165,000,000 ordinary shares 12 months after the date of issue; and CSD will pay SPM \$500,000 per calendar quarter for four quarters (\$2 million in total).

Upon issue of the Consideration Shares, SPM will hold approximately 67% of the Company's shares. SPM have agreed the Consideration Shares would be held in voluntary escrow for a period of two years.

The Company will also, subject to shareholder approval, issue 30,000,000 fully paid ordinary CSD shares to Snow Peak International Investment (SPII) as repayment of a \$3 million advance payment made to Consolidated Tin as per the Heads of Agreement signed 18<sup>th</sup> April 2012 (refer ASX release 3<sup>rd</sup> May 2012). SPII has agreed to a voluntary escrow period in respect of these shares for a period of two years. SPII will hold approximately 11% of Consolidated Tin, down from its current 25% shareholding. The Company will have a first right of refusal to buy back the shares in the event the holder wishes to dispose of them.

Completion of the proposed transaction pursuant to the agreement is subject to various conditions precedent, including the following material conditions:

- (a) CSD conducting appropriate due diligence;
- (b) SPM obtaining all necessary approvals and consents to allow the transaction;
- (c) security holders (including ICBC, Kagara and Investec) releasing, or consenting to the acquisition of the various assets the subject of the transaction from their security; and
- (d) if required, Foreign Investment Review Board approval of the transaction.

Shareholder approval will be sought for the acquisition of SPM's assets for various purposes, including, without limitation, Item 7 of Section 611 of the Corporations Act. A notice of meeting for an Extraordinary General Meeting (EGM) will be sent to shareholders in due course and will contain an Independent Expert's Report which will report on the fairness and reasonableness of the transaction. The EGM is expected to be held in December 2014.

**ENDS**

27 October 2014

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## About Consolidated Tin Mines

Consolidated Tin Mines is an emerging ASX-listed (ASX: CSD) tin explorer and developer. Its major project is the Mt Garnet Tin Project approximately 180km south west of Cairns in northern Queensland, comprised of the Gillian, Pinnacles and Windermere deposits. The project is located in an established mining area, in close proximity to mining and concentrating infrastructure. Consolidated Tin's objective is to develop the project into a major low cost, open pit tin mining operation processing 1Mt per annum to produce approximately 5,000 tonnes p.a. of tin in concentrate, commencing with key deposits, Gillian and Pinnacles. On completion of a favourable DFS later in 2014, Consolidated Tin's strategy will be to develop and establish tin production in 2015 and focus on increasing mine life and production profile by developing other tin production opportunities within the broader Mt Garnet Tin Project area.