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ASX Announcement

19th January 2021

Major Shareholder Funding Support - \$30M Loan to CSD

- Strong funding support from largest shareholder, Cyan Stone Pty Ltd
- Provides \$30M to fund Auctus acquisition and related working capital
- 3 year unsecured loan with interest of 6% pa

Consolidated Tin Mines Limited (**ASX:CSD**) (**CSD or the Company**) is pleased to announce that it has entered into an unsecured loan agreement (**Loan Agreement**) with 53.6% shareholder, Cyan Stone Pty Ltd (**Cyan Stone**).

Under the Loan Agreement, Cyan Stone has agreed to advance up to \$30,000,000 to the Company which will be used to fund (i) the balance of the consideration payable in respect of the Auctus acquisition (being \$16,800,000) (**Auctus Acquisition**), and (ii) for general working capital purposes which includes the provision of funds to bring Auctus back into production. This is summarised in the use of funds table below:

Description	Amount
Settlement of Auctus Acquisition	\$16,800,000
Working Capital, including funds to bring Auctus back into production	\$13,200,000
TOTAL	\$30,000,000

The Loan Agreement is being provided on an unsecured basis over a three-year term at an interest rate of 6% pa. The material terms and conditions governing the Loan Agreement is summarised in the Appendix.

This new loan is in addition to an existing loan of \$22 million from Cyan Stone which is currently drawn down to \$17,529,644 with \$4,470,356 currently available. The existing loan is to fund CSD existing operations only and separate to the new loan which is to provide funding for the Auctus acquisition only.

Announcing the major shareholder funding support package, Managing Director, Ralph De Lacey said: "We are extremely pleased with the ongoing strong support that the Company's largest shareholder, Cyan Stone has shown in CSD and the Company's future."

Update on lodgement of CSD Accounts

The company is working with Auditors KPMG to complete and lodge the company's December 31st 2019 Review and 30th June 2020 Audited Accounts on or before 26th February 2021

This ASX release was authorised for and on behalf of the CSD Board by:

Ralph De Lacey, Managing Director

For further information please contact:

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Appendix

The material terms and conditions of the Loan Agreement are as follows:

- Cyan has agreed to provide the Company with up to \$30,000,000 in multiple drawdowns in accordance with the terms of the Loan Agreement.
- The Company shall provide Cyan with written requests to drawdown amounts under the Loan Facility. The total drawdowns may not exceed the Loan Facility unless both parties agree in writing. Any payments made by Cyan to the Administrators or Auctus pursuant to the guarantee made by Cyan under the DOCA Agreement shall be a drawdown for the purposes of the Loan Agreement.
- Interest shall accrue daily on the outstanding amount owing under the Loan Facility at a rate of 6% per annum.
- The accrued interest is payable in cash annually on the anniversary of the first drawdown under the Loan Facility.
- The outstanding amount owing under the Loan Facility and all accrued but unpaid interest may be repaid to Cyan by the Company at any time following drawn down.
- The outstanding amount owing under the Loan Facility and all accrued but unpaid interest will be due and payable on 29 February 2024.
- The Loan Agreement does not include any right to convert the loan to CSD shares.
- The Loan Agreement contains such other terms as are considered standard for an agreement of its nature (including representations and warranties).

Important Notices

Forward looking statements

The forward-looking statements in this announcement are based on the Company's current expectations about future events. However, they are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Announcement. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

Background on CSD

CSD is a publicly listed company on the Australian Securities Exchange (ASX:CSD). CSD owns and operates the Mount Garnet Processing Facility, Mount Garnet Underground Mine, Surveyor Mine and the Einasleigh Project located in North Queensland, Australia.