

Friday 13 September 2019

CSD ANNUAL GENERAL MEETINGS

CHAIRMAN'S SPEECH

Ladies and Gentlemen, I present the Chairman's address at the Annual General Meetings that your company is holding for the years 2016, 2017 and 2018.

Understandably, these past few years have been challenging for the Company, for our workforce and for you, our shareholders.

With consolidation, restructure and new Board recruits, the Company is moving from Voluntary Administration and continues to transition from tin exploration and development into a base metals miner and producer.

The Notice of Annual General Meetings which was sent to you specific resolutions in respect of each financial year and also significant detail to explain the background and context to each resolution.

Rather than addressing each of these points, today I would like to provide you with an update on your Company and our activities with a specific focus on how we are transitioning from this challenging period to refocus and recapitalise the company to pursue our strategy.

Operations Update

The primary focus of Management has been to recapitalise the Company to strengthen the Company to ensure the business has the requisite funding capacity to progress our exploration and production activities.

This is also a key precursor for reinstatement to trading on the ASX which we are working toward for later this year.

Management has progressed this through a combination of debt and equity funding, but still faces ongoing financial challenges, including fluctuating commodity prices and the global economic outlook.

The Company arranged debt facilities through Sydney property firm Cyan Stone Pty Ltd who agreed to provide the Company with two loan facilities totalling \$40 million. This operating loan has been extended for one year to November 2020.

The Company also finalised two private equity placements, \$4 million to Mr Tiesong Duan in May 2019 and \$19.95 million to Wealth Pointer Global Limited in June 2019. In total, the Company issued 39,636,133 shares at \$0.605 per share to raise a total of \$23,949,610.

This combined funding has enabled exploration and recommencement of operations at the Mt Garnet Mine and the Surveyor Project.

Ore is processed at the Company's Mt Garnet Processing Plant which has the annual processing capacity of more than 1,000,000 tonnes of ore, comprising two individual circuits with shared infrastructure, which has resulted in improved efficiencies.

The Company is focused on establishing sufficient ore supply from the refurbished Dry River South mine and newly developed Mount Garnet Deeps mine to maintain continuous production at the Mount Garnet processing plant.

Management advises that throughout 2017 and 2018, the Company expanded operations across other mining sites and is building a pipeline of exploration tenures, including an extensive drilling program at the Einasleigh Regional Exploration Project and near targets at the Base Metals Projects, which are the Mount Garnet Mine and the Surveyor Project.

Further, Management advises the Company is positioned to progress production and continue progress in the overall strategy, as a base metals producer.

Safety Audit

After the tragic deaths of two miners, just two weeks apart earlier this year, the Queensland Government introduced a 'Safety Reset' program for the industry, aimed at ensuring a safer workplace for miners.

The Company has also engaged additional safety expertise to review and assist in implementing Health and Safety Policies.

The Company is committed to ensuring the highest-standards of safety for our workforce and Management will continue to review and upgrade policies in order to maintain best practice workplace health and safety policies.

Strategic vision

I would now like to comment on some of the changes the Company has undertaken to achieve our objectives.

Let me begin with the rejuvenation of our Board.

I was appointed Chair in August 2018 and joining me on the Board were property professional Caden Wan and Company Director and Chairperson Teresa Dyson.

Mr Wan has over 25 years' experience working in property development in Australia and China.

He has held numerous senior management roles within the property industry and is the CEO and Executive Director of leading publicly-listed NSW property group, Boyuan Holdings Limited (ASX:BHL).

Mr Wan was previously the Chairman and CEO of Jiaxing Zhonghuan Properties Co. Ltd and the Chairman of the Australian Jiaxing Association Pty Ltd.

Ms Dyson is a highly-experienced Company Director and Chairman, who has worked across a range of roles within the private and public sectors.

Ms Dyson has strong governance and leadership skills, with experience chairing Audit & Risk Committees and Finance & Performance Committees across the financial services sector, infrastructure projects, transport services and the energy and resources industry.

She is currently a Non-Executive Director at Seven West Media, Power and Water Corporation, Genex Power, Energy Super and Energy Queensland; Board Member of the National Housing Finance and Investment Corporation and the Foreign Investment Review Board (FIRB) and Member of the Takeovers Panel.

In addition to our Board changes, we have engaged a new Company Secretary, finance manager and specialist communications advisors with experience in working with ASX-listed companies, all necessary to support the Company's everyday operational and corporate activities.

The Company continues to pursue options to engage additional Management and corporate expertise.

The Company is continuing to work with the ASX in order to have our shares reinstated to Official Quotation and I look forward to updating you on our re-listing exercise and when trading in CSD shares can re-commence.

These are critical steps towards achieving the Company's objectives to develop and diversify into producing mines to reduce metal price risk exposure, explore and develop our prospective exploration tenures to become a more diversified mineral producer with a number of operating centres strong mine life.

The Way Forward

Management will continue to be strengthened and further Board appointments made in order to strengthen the Company's overall position.

The Company continues mining and production activities whilst addressing the ongoing financial challenges and economic circumstances.

]Ladies and Gentlemen, that concludes my address today.

On behalf of the Board, I would like to thank our employees for their continued contribution to our business and acknowledge and thank shareholders for your ongoing support of the Company.

ENDS.