

1 February 2016

ASX Limited
Company Announcements Office
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Consolidated Tin Mines Limited – Market Update

Consolidated Tin Mines Limited (CSD or the Company) is pleased to provide the following market update with respect to the acquisition of the assets of Snow Peak Mining Pty Ltd (“SPM”)

Background

The Company entered into an Asset Sale Agreement (ASA) between Snow Peak Mining Pty Ltd (SPM) and Snow Peak International Investments Pty Ltd (SPII) which was announced on 27th October 2014.

The ASA was approved by CSD shareholders at an Extraordinary General Meeting (EGM) on 12th January 2015 with an appropriate announcement made to ASX on that date.

Following the EGM held on 12th January, CSD and SPM moved forward to implement actions to ensure a smooth transition of CSD from tin exploration development to include base metals mining. All ASA conditions precedent were progressively met over the period with the exception of the release by SPM’s lenders of security over the assets. Following numerous attempts to reach agreement with SPM’s secured lenders a period of almost twelve months passed without success.

Due to the uncertainty of settlement under the ASA and the imminent expiration of the ASA and EGM authorisations the Directors of CSD resolved to call a Trading Halt on 21st December 2015 followed by Voluntary Suspension to bring the matter to conclusion with regard to the Company’s future direction.

The Company advises that SPM’s secured lenders have now executed a Deed of Release, releasing the security attached to the SPM assets which will enable Settlement of the ASA to occur.

CSD, SPM and SPII have reinstated the ASA on the same terms and conditions.

CSD will remain as Manager and Agent for SPM operations and assets until Settlement. CSD will continue to earn a fee for the provision of this service. During the period of Voluntary Suspension the SPM operations continued production.

Future Funding.

The Company has advanced its discussions to establish additional project finance that will be required to fund the combined operations of SPM and CSD going forward. The discussions are in the final stages of negotiation and the company expects an agreement can be reached shortly to raise the project finance which will enable the Company to execute its growth and diversification strategy.

Next steps.

The Company is required to again seek Shareholder approval of the ASA at another EGM. The Notice of Meeting for the EGM will be announced /dispatched shortly with the intent to conduct this EGM in early March 2016.

Settlement can only occur following a positive outcome at this EGM.

For further information, please contact:

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