



**AUS TIN MINING LIMITED
AND CONTROLLED ENTITIES
(formerly AusNiCo Limited)**
ABN: 84 122 957 322

ANNUAL REPORT 2014

CONTENTS

CORPORATE INFORMATION	3
CHAIRMAN'S REPORT	4
REVIEW OF OPERATIONS	5
DIRECTORS' REPORT	16
AUDITOR'S INDEPENDENCE DECLARATION	32
SHAREHOLDER INFORMATION	33
INTEREST IN TENEMENTS	35
CORPORATE GOVERNANCE STATEMENT	36
STATEMENT OF COMPREHENSIVE INCOME	40
STATEMENT OF FINANCIAL POSITION	41
STATEMENT OF CHANGES IN EQUITY	42
STATEMENT OF CASH FLOWS	43
NOTES TO THE FINANCIAL STATEMENTS	44
DIRECTORS' DECLARATION	74
INDEPENDENT AUDITOR'S REPORT	75

CORPORATE INFORMATION

DIRECTORS

Brian Moller
Nicholas Mather
Ben Harrison (resigned 24 February 2014)
John Bovard
Richard Willson

COMPANY SECRETARY

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ABN 84 122 957 322

CHAIRMAN'S REPORT

Dear Shareholders,

It has been another eventful year for Aus Tin Mining Ltd ("Aus Tin Mining") in a continuation of what might best be described as challenging equity market and commodity price conditions.

The Company continues to focus its efforts on the progress of its Taronga Tin Project, and on 26 August 2013 released its maiden JORC mineral resource estimate for the Project of 36.3 million tonnes @ 0.16% Sn for 57,200 tonnes of contained tin, 36.3 million tonnes @ 0.07% Cu for 26,400 tonnes of contained copper and 36.3 million tonnes @ 3.8 g/t Ag for 4 million ounces of contained silver. Of the total tin mineral resource some 79% is classified as indicated. Full details are outlined in the Review of Operations.

The Company published its Pre Feasibility Study (PFS) for the Taronga Tin Project on 7 April 2014. The PFS confirmed the technical and economic viability of the Taronga Tin Project and highlighted several areas of potential. The PSF was completed in conjunction with independent consultants including MiningOne (Mineral Resource), GHD (Mining and Infrastructure), DRA Pacific (Processing) and Mr Ron Goodman of Devlure (Metallurgy). Again, full details are outlined in the Review of Operations

In June 2014, MineInvest independently valued the Taronga Tin Project at up to \$100m on a post-tax, unrisks basis (refer ASX release of 24 June 2014). Furthermore, recent desk-top analysis of historic mining and exploration data has assisted in the identification of several potential high-grade prospects within the existing tenement areas having the potential to substantially enhance the economics of the Project by extending the mine life, shortening the pay-back period and increasing both the NPV and the IRR. The Company is now in the process of planning field work to prove-up and exploit these prospective targets.

On the basis of these developments, the Company sits in an enviable position as one of only three tin projects in Australia with JORC compliant ore reserves at a time when global tin reserves are estimated at less than eight years. As important is the enormous potential within the Company's extremely prospective, but under-explored tenement package for tin, base and precious metals. At the same time the resurgence in the global nickel price has provided the impetus to undertake further work over the Company's various nickel sulphide projects, specifically the Pembroke where the Company's previously reported results such as 4.2m @ 1.1%Ni and 0.05%Co (from 58m depth) are as exciting as some of the exploration results more recently being reported from the Fraser Range region in Western Australia.

As I write, Aus Tin Mining has just launched its 1:2 entitlement offer to eligible shareholders, which forms part of the Company's overall plans to raise up to \$2.1 million via various initiatives. The Company intends that the funds raised will be primarily used to progress development of the Taronga Tin Project, providing further newsflow for shareholders across the next year.

I would like to thank my fellow Directors and the Company's management team for their continued efforts in advancing the Company's various project and corporate initiatives under tight cash-management conditions. On behalf of the Board, I would like to thank shareholders for their patience and support during the period, and look forward to delivering news of further progress in relation to the Taronga Tin Project and the Company's other projects.

Yours faithfully



Brian Moller
Chairman

REVIEW OF OPERATIONS

Aus Tin Mining is primarily focussed on the development of the Taronga Tin Project, targeting tin production by 2017. Aus Tin Mining will also continue to progress exploration at its exciting portfolio of nickel sulphide projects.

Tin

Taronga Tin Project

The Taronga Tin Project is located near the historic mining town of Emmaville in northern New South Wales. The region has a long history of mining with tin mining commencing in the 1880s.

During the year, Aus Tin Mining completed a Pre-Feasibility Study (“PFS”) for the Taronga Tin Project. The PFS confirmed the technical and economic viability of the Project and highlighted areas of potential economic upside. Adopting an independent forecast tin price of US\$25,000/t¹ and forecast AU\$:US\$ of 0.90 the PFS Base Case pre-tax, un-g geared NPV_(8%) is AU\$63.15M and IRR of 27.3%. Table 1 summarise the key results from the PFS.

Pre-Feasibility Parameter		PFS Base Case
Mineral Resource (contained tin)	t	57,200
Probable Ore Reserve (contained tin)	t	35,600
Production Target (contained tin)	t	37,100
LOM Strip Ratio (Waste:Ore)	x	1.35
Annual plant throughput	t	2,500,000
Tin Recovery	%	70%
Concentrate grade	%Sn	55%
Average tin in concentrate production	tpa	2,815
LOM C1 Cash Costs	AU\$/t Sn	17,935
Initial CAPEX and Pre-Production Costs	AU\$	87.83M
NPV _(Pre-tax, 8% discount rate, un-g geared)	AU\$	63.15M
IRR	%	27.3

Table 1: Taronga Tin Project PFS Operating Parameters

However, several areas of potential upside were identified during the PFS and will be investigated during the Definitive Feasibility Study (DFS). The most significant potential is an increase in plant feed grade attributable to the observation that increasing sample volumes yields an increased tin grade. MiningOne in their report on the Mineral Resource estimate a probable range of true grades between 0.19%Sn and 0.25%Sn. If the plant feed grade were increased from 0.16%Sn to 0.19%Sn (ie the lower end of probable range of true grades), pre-tax, un-g geared NPV_(8%) would increase to AU\$145.71M and IRR to 47.8%. Other areas of potential upside include reduced processing plant capital costs, reduced mine operating costs, increased tin recovery and the recovery of by-product credits.

Mineral Resource (JORC 2012)

The Company announced a maiden Mineral Resource for the Taronga Tin Project on 26th August 2013. The estimated tin resource, reported as Indicated and Inferred Resource in accordance with the 2012 edition of the JORC Code, is listed in Table 2. Of the total estimated resource, approximately 80 percent of the contained tin is in the Indicated category sufficient for use as a basis for estimating a Probable Ore Reserve.

¹ ITRI March 2014

PFS - Mineral Resource (JORC 2012)
0.1% Sn Cut-off Grade

	Indicated			Inferred			Total		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	19.3	0.16	30,800	7.7	0.12	9,300	27.0	0.15	40,100
Southern Zone	7.6	0.19	14,400	1.7	0.16	2,700	9.3	0.19	17,100
Total	26.9	0.17	45,200	9.4	0.13	12,000	36.3	0.16	57,200

Table 2: Taronga Tin Project - Tin Mineral Resource (JORC 2012)

The resource estimate is based on 357 historic diamond and percussion drill holes for a total 33,350m and recent QAQC analysis. The deposit remains open at depth and no provision has been included in the resource estimate for the potential grade uplift attributable to sample volume variance (the Support Effect).

The maiden Mineral Resource Estimate for the Taronga Tin Project also included an Inferred resource for copper (36.3Mt @ 0.07%Cu for 26,400t contained copper) and silver (36.3Mt @ 3.8g/t Ag for 4,400,000oz of contained silver). Recovery of neither copper nor silver has been included in the PFS but has been identified for potential upside and will be examined in more detail during the Definitive Feasibility Study (DFS).

Probable Ore Reserve (JORC 2012) & Mining Inventory

The Company announced a maiden Ore Reserve on 7th April 2014 as part of the PFS. The Mineral Resource (JORC 2012) from August 2013 was used to generate a Probable Ore Reserve (JORC 2012) and Production Target as summarised in Table 3.

PFS Base Case - Ore Reserves (JORC 2012) & Production Target

	Proven			Probable			Production Target		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	-	-	-	15.6	0.16	24,500	16.5	0.16	25,600
Southern Zone	-	-	-	6.4	0.17	11,100	6.7	0.17	11,500
Total	-	-	-	22.0	0.16	35,600	23.2	0.16	37,100

Table 3 Taronga Tin Project - Ore Reserve (JORC 2012)

Approximately 96.0 percent of contained tin in the Production Target was classified as Probable Ore Reserves (JORC 2012). Approximately 4.0 percent of contained tin in the Production Target was sourced from Inferred Resources. This material was included on the basis that it fell within the proposed pit shells and the nature of mineralisation is consistent throughout the orebody. However, there is a low level of geological confidence associated with inferred mineral resource and there is no certainty that future exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. It could be reasonably expected that in an optimised production schedule the exclusion of inferred material would have minimal impact on the project economics.

Mining

Proposed open cut mining operations at the Taronga Tin Project are based upon the following key inputs:

- Mining to be undertaken concurrently in the Northern and Southern Zones.
- Mining will be undertaken by a suitably qualified contractor using drill & blast, excavators and 90t rear dump trucks.
- The mining contractor will employ a substantially local workforce operating initially on a dayshift only basis before expanding to a day & night operation with an increasing fleet capacity.
- Open pit mining will be undertaken to a maximum depth of 175m or approximately 75m below the surround ground level (mineralisation occurs on two ridges approximately 100m high). The life of mine strip ratio will be 1.35x but as low as 0.8x in Year 1.
- A cut-off grade of 0.1%Sn will be adopted during the initial years with low grade indicated material stockpiled for future consumption.
- Mine waste will be classified according to potential acid forming characteristics and stockpiled accordingly for final placement.

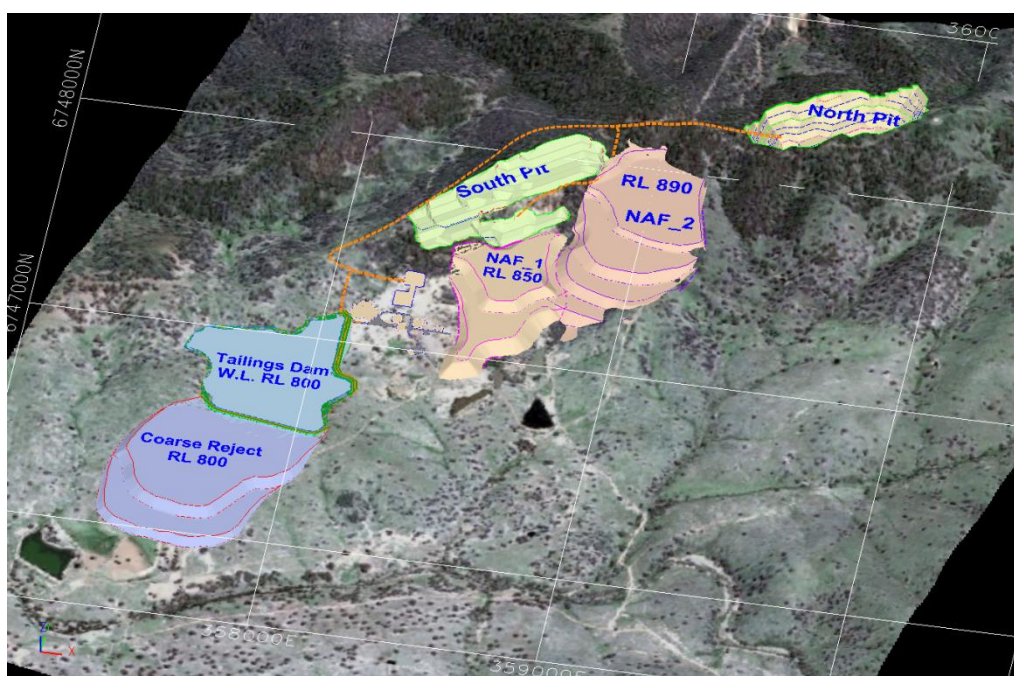


Figure 1 provides an overview of the life of mine pit shells and associated infrastructure

Metallurgy

The Company announced the results of a metallurgical review of the Project on 23rd October 2013, and in summary concluded that:

- The predominant tin mineral (cassiterite) is mostly coarse grained and the ore may be regarded as a simple ore when compared to the complex high sulphide, fine grained, disseminated tin ores such as those found for example in Tasmania.
- Liberation studies as part of the ore characterisation test work showed there was good liberation at particle sizes as high as 2.0mm and that initial grinding to $750\mu\text{m}_{(P80)}$ was sufficient, and although regrinding to $300\mu\text{m}_{(P80)}$ will generate satisfactory results the grind size should be optimised during future work.
- The ore is highly amenable to pre-concentration, enabling significant rejection of non-mineralised material prior to grinding and a substantial increase in tin grade prior to the concentrator.
- The concentration of cassiterite by a combination of classification, gravity separation with inter-stage regrinding and the flotation of any sulphides, should result in a medium grade concentrate (55% Sn) acceptable to tin smelters.
- Overall tin recovery is expected to be 70%.
- The metallurgical flowsheet for the Taronga Tin Project is provided in Figure 2.

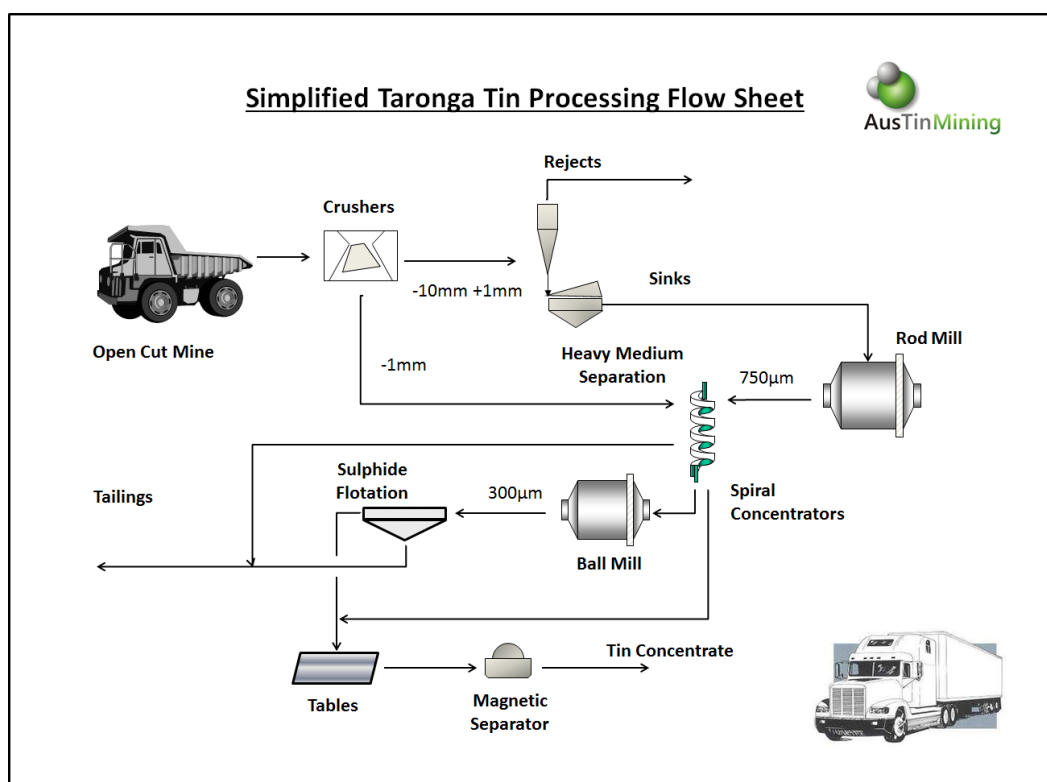


Figure 2: Simplified Taronga Tin Project Processing Flow Sheet

Processing

Proposed processing operations at the Taronga Tin Project are based upon the following key inputs:

- The processing plant has been designed on the basis of treating 2.5Mt per annum using new equipment throughout. Delivery of key equipment can be achieved within the proposed construction timetable of calendar 2016, albeit orders for longer lead items may need to occur during the second half of calendar 2015.
- Processing operations to be undertaken on a 24/7 basis by the Company employing a substantially local workforce.
- Tin concentrate will be produced at site and transported to Brisbane by road and assumed shipped to Asia for smelting. A sulphide concentrate containing the majority of copper, silver and other potential by-product credits will be stored in a dedicated storage dam for future possible treatment.
- HMC Rejects and coarse tailings will be utilised in the construction of a TSF for the final placement of - 300µm tailings.
- Plant maintenance will be undertaken by Company personnel, supplemented by external contractors as necessary.

Infrastructure

Proposed infrastructure requirements at the Taronga Tin Project are based on the following key inputs:

- Power is to be sourced from the sub-station at Emmaville. Essential Energy has confirmed the availability of the maximum anticipated demand of 4.9MW. The project is located 7km NW of Emmaville in northern NSW.
- Water is to be sourced from a specifically constructed 200ML dam adjacent to the project site. Initial discussions have been held with the landowner and GHD have confirmed the suitability of the site assuming average rainfall (estimated at 810mm per annum).
- Road transportation of tin concentrate and all goods between the Project and Brisbane will be via the New England Highway and the Emmaville/Glen Innes road.

Environment and Community

The Taronga Tin Project is substantially situated over two freehold properties and two parcels of crown land. Although part of the land is utilised for grazing, much of the area shows signs of disturbance from previous mining activities. During an initial site assessment to scope details for the Environmental Impact Statement (EIS), it was recommended to the extent possible to develop site infrastructure on areas impacted by previous mining activities.

A previous flora and fauna study commissioned by Aus Tin Mining² noted the absence of any threatened flora species, significant fauna habitat features or endangered ecological communities at the mine site. More comprehensive studies will be undertaken in conjunction with the EIS.

The Taronga Tin Project will be deemed a Project of State Significance and preliminary discussions have been held with government agencies including Department of Planning and Infrastructure, Department of Trade & Investment and the Glen Innes Severn Council. Initial community consultation has been undertaken but will be expanded during the EIS.

² Review of Environmental Factors, Exploration Activities at EL7348, April 2013

Capital Expenditure and Pre-Production Costs

Initial capital expenditure (CAPEX) and pre-production costs are estimated at \$87.83M and are summarised in Table 4.

PFS Base Case - CAPEX	AU\$ Million
Initial CAPEX & Pre-production costs	
Processing	60.40
Mine & Site Infrastructure	17.01
Off-site Infrastructure	3.65
Pre-production other	6.77
Total	87.83
Sustaining CAPEX	10.50

Table 4: PFS Base Case Summary CAPEX and Pre-production costs

Operating Costs

Life of mine C1 Cash Costs³ are estimated at AU\$464.36M or A\$17,935/t recovered tin and are summarised in Table 5. However, during Years 1 to 4, the C1 Cash Costs are estimated at A\$16,553/t recovered tin owing to a lower strip ratio and above average mine grade.

PFS Base Case - OPEX	Years 1-4			LOM		
	Total A\$M	A\$/t Ore	A\$/t Sn	Total A\$M	A\$/t Ore	A\$/t Sn
Mining	93.34	9.33	8,026	233.55	10.06	9,021
Processing	75.60	7.56	6,501	175.54	7.56	6,780
Administration & Other	23.57	2.36	2,027	55.36	2.38	2,134
C1 Cash Cost	192.51	19.25	16,553	464.36	20.01	17,935
C3 Cash Costs⁴	242.03	24.20	20,811	575.64	24.80	22,233

Table 5: PFS Base Case Summary Cash Costs

Mining costs have been based on a combination of first principles and schedules of rates received from suitably qualified contractors. Processing costs have been calculated from first principles and suitably qualified parties. Off-site costs, including transportation and smelting costs have been sourced from suitably qualified parties.

³ C1 Cash Cost is the sum of mining, processing, administration, transportation and off-site refining

⁴ C3 Cash Cost is the sum of C1 Cash Cost plus depreciation & amortisation and royalties

Future work program

A number of areas of potential upside were identified during the PFS and will be examined during the DFS. Notable areas include the following:

- Increased plant feed grade - Mining One note in their Mineral Resource (JORC 2012) report a probable range of true grades between 0.19%Sn to 0.25%Sn based on a trend observed whereby larger samples tended to provide a higher grade (the Support Effect) and as evidenced by assays results for bulk samples collected for metallurgical pilot plant test work conducted by previous owners (0.21 to 0.24%Sn). Increasing the average plant feed grade from 0.16%Sn to 0.19%Sn in the PFS Base Case would have the impact of increasing NPV_(8%) from AU\$63.15M to AU\$145.71M. Appropriate sampling to evaluate the Support Effect will be undertaken during the DFS.

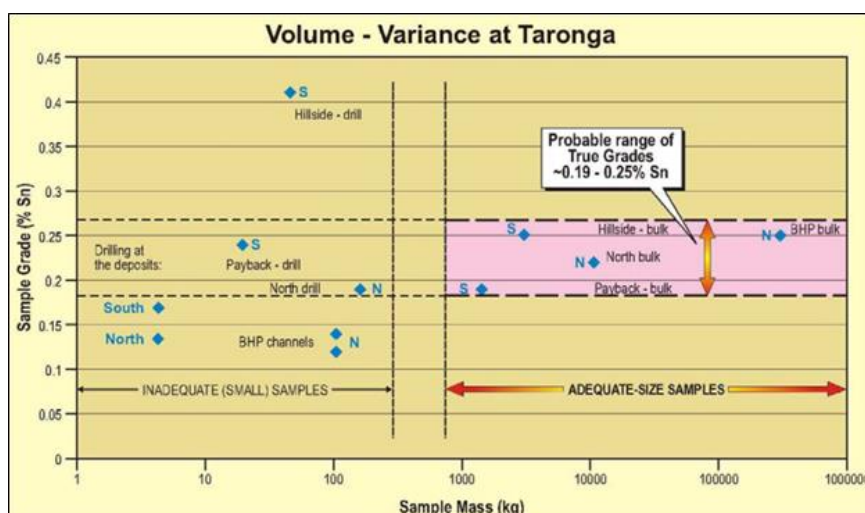


Figure 3: Probable range of true grades for Taronga Tin Project (MiningOne 2013)

- Reduced Mine Operating Costs - GHD reported the potential to decrease mining costs by adopting a smaller truck size. The PFS Base Case assumes the use of CAT777(96t) rear dump trucks but GHD have modelled 5 percent cheaper haulage costs using Volvo FMX410 prime mover and quarry tipper body type truck. If smaller trucks were employed savings in CAPEX could also be achieved on the cost of Haul Road #1 (A\$4.5M) due to a narrower road width required.
- Reduced processing plant CAPEX - DRA Pacific and Devlure both reported the potential to optimise the operating performance and CAPEX of the slimes scavenging circuit by replacing shaker tables with centrifugal concentrators. The PFS Base Case CAPEX estimate for the desliming circuit is AU\$7M and could be reduced significantly if centrifugal concentrators are employed. Appropriate metallurgical test work will be conducted during the DFS.
- Increased tin recovery - Devlure reported on the potential to recover additional fine tin through advances in gravity technology and tin flotation. Devlure also report on the potential to improve recovery through a smaller HMC feed size and reduced secondary regrind product sizing. A one percent improvement in overall tin recovery increases NPV_(8%) by AU\$5.99M. Appropriate metallurgical test work will be conducted during the DFS.
- Inclusion of by-product credits - preliminary work completed at ALS Burnie demonstrated that copper and silver may be recoverable to a sulphide concentrate. GHD estimated the life of mine plant feed to include 23.2Mt averaged at 4.53g/t Ag and 0.08%Cu⁵. If overall silver and copper recoveries of 30 percent⁶ are assumed, life of mine revenue could increase by AU\$61M⁷. Appropriate metallurgical test work will be conducted during the DFS.

⁵ Contained copper and silver estimated from the Inferred Mineral Resource prepared MiningOne but from within the proposed mining blocks prepared by GHD as part of the Probable Ore reserves for tin

⁶ Previous test work generated flotation silver and copper recoveries from 49% and 55% respectively

⁷ Assumes silver and copper recovery of 30%, silver price AU\$22/oz and copper price AU\$7,000/t

Subsequent to the completion of the PFS, the Company has also identified the potential to treat high tin grade supplementary feed from a number of historical mines contained within the Company's 100% owned EL 7800. Data review of historic records and previous work to date indicates six (6) key targets within close trucking distance to the Taronga Tin Project and provides the basis for an initial Exploration Target of approximately 150,000 to 265,000 tonnes at approximately 2.3% to 2.5%Sn, or approximately 3,450 to 6,625 tonnes of contained tin, noting the potential grade and tonnage is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Company intends to conduct a program of exploration works over the next 12 months, including field mapping, geochemical surveys and drilling to progress these targets and to be carried out in conjunction with the Taronga Definitive Feasibility Study.

Nickel

The Company owns a number of exploration tenements prospective for nickel, and other metals. During the past 12 months the Company secured three new project areas in Queensland (Marlborough) and Western Australia (Collurabbie North and Muleryon Hill) whilst continuing to work on its existing portfolio across Queensland, Tasmania and Western Australia.

Marlborough (Queensland)

During the year the Company was granted EPM 17768 (Marlborough) located approximately 90km north-west of Rockhampton in central Queensland. The EPM is prospective for nickel, chromite, zinc, copper, chrysoprase and precious metals and has supporting historic mining for chromite. Since grant, the Company has undertaken field reconnaissance over various areas within EPM 17768 (Marlborough) and identified through detailed stream sediment sampling and geological mapping two new discrete nickel/cobalt/ platinum targets named Racecourse and Spring Creek.

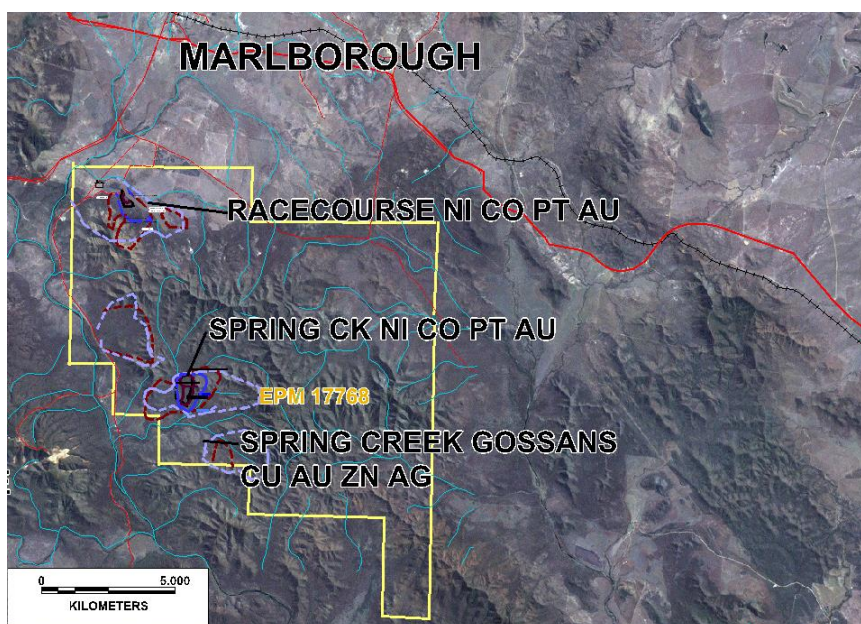


Fig. 4 Marlborough south targets showing Nickel and Platinum stream sediment contours

Additionally, a number of massive sulphide gossans were located in the south branch of Spring Creek. Initial sampling of the strongly leached gossans over widths of up to 20m has indicated high levels of copper, zinc, gold, silver, bismuth and tellurium. Similarities with Mount Morgan suggest that rich supergene gold and copper may be developed at depth.

Pembroke (Queensland)

During the year, the Company undertook a review of geochemical work undertaken at Pembroke and identified at least two new nickel sulphide targets along strike from the previously discovered nickel sulphide mineralisation. Previous exploration work at Pembroke concentrated on drilling of the western Ni-Co-Pt geochemical anomalies and confirmed the presence of nickel sulphide mineralisation at relatively shallow depths, including @1.1%Ni, 0.05%Co from 58m depth⁸. Previous drilling has also identified discrete lenses of copper & gold mineralisation located above the nickel mineralisation, with higher grade drilling intersections including 21m @1.04%Cu, 2.09g/t Au from 18m depth⁷.

Re-analysis of geochemical work completed in 2013 (primarily to determine the extent of the copper & gold mineralisation) has generated at least two un-tested nickel sulphide targets based on elevated Ni assays from surface soil sampling east of the previous work. Neither target has been drilled previously. Replication of the previously discovered nickel sulphide mineralisation (with the zone of mineralisation increasing in grade and width at depth - Refer Figure 5 below) would provide an increased inventory for future mining operations. Selected targets are expected to be drilled during late calendar 2014.

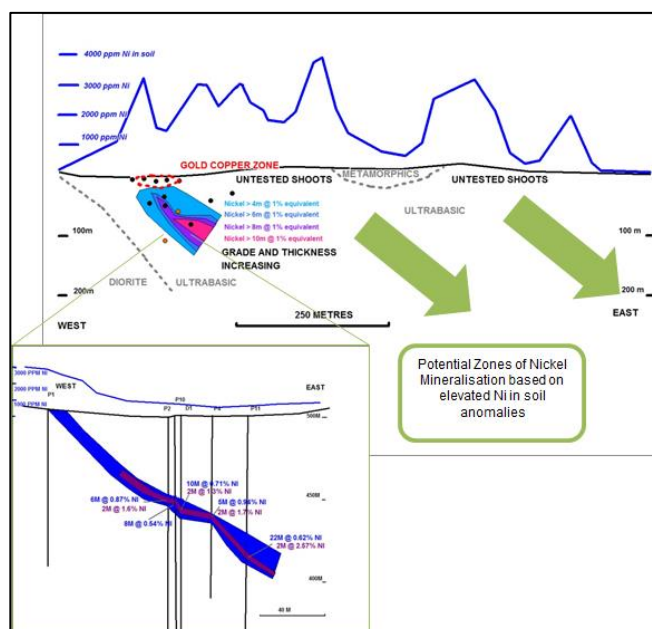


Figure 5: Geochemical and drilling results for Pembroke⁹

⁸ Unchanged historical exploration result

⁹ Nickel >xm @ 1% equivalent = is the length of mineralisation x the actual grade, eg for PEM11 from 84m to 106m assaying 0.62%Ni, 22m x 0.62%Ni = 13.6m @ 1% equivalent. For the avoidance of doubt, the calculation does not contain value for copper, silver, cobalt or other potential by-product credits.

Heazlewood (Tasmania)

During the past 12 months the Company was granted an extension to the licence boundary of EL 50/2011 which will enable the Company to explore Anomaly E located within the southern part of the licence.

Anomaly E is a Total Magnetic Intensity (TMI) anomaly over a distance of approximately 500m, and is partially coincident with a strongly anomalous Electro Magnetic survey response (Figure 6). Anomaly E target is considered to be analogous to the Avebury deposit based on the existence of secondary magnetite alteration with probable granitic sources, a potential fluid pathway with the steep bounding faulted contact at Nickel Creek, evidence of sulfur proximate to the system (ie heazlewoodite at nearby Lord Brassey mine) and nickeliferous serpentinised dunite host rocks (evidenced by remobilised Nickel eg: Zaratite at Lord Brassey).

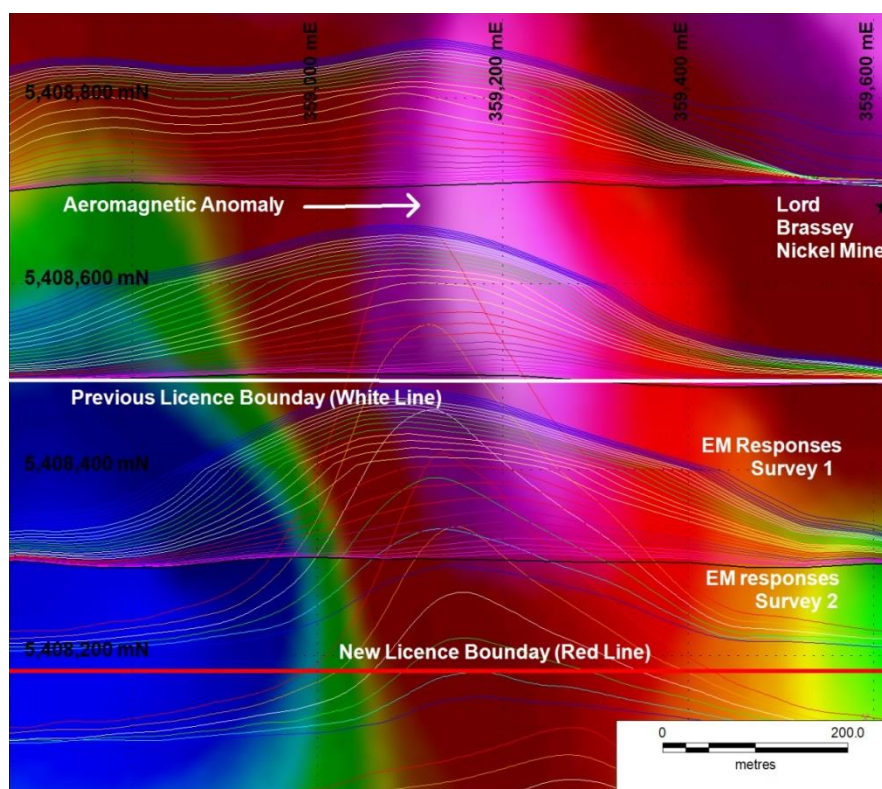


Figure 6 - Coincident TMI and EM responses at Anomaly E

Collurabie North (Western Australia)

During the second half of the year the Company was granted EL 38/2792 (Collurabie North) located approximately 260km north-east of Leonora in Western Australia. Collurabie North is prospective for nickel and previous exploration work was undertaken by various groups including Sirius Resources Ltd. Previous drilling confirmed the existence of ultramafics which are typically associated with nickel mineralisation. However, previous drilling targeted magnetic highs (refer Figure 7) whereas Aus Tin Mining consider the more prospective nickel targets to be located between the magnetic highs as is the case at the Olympia deposit located south of Collurabie North.

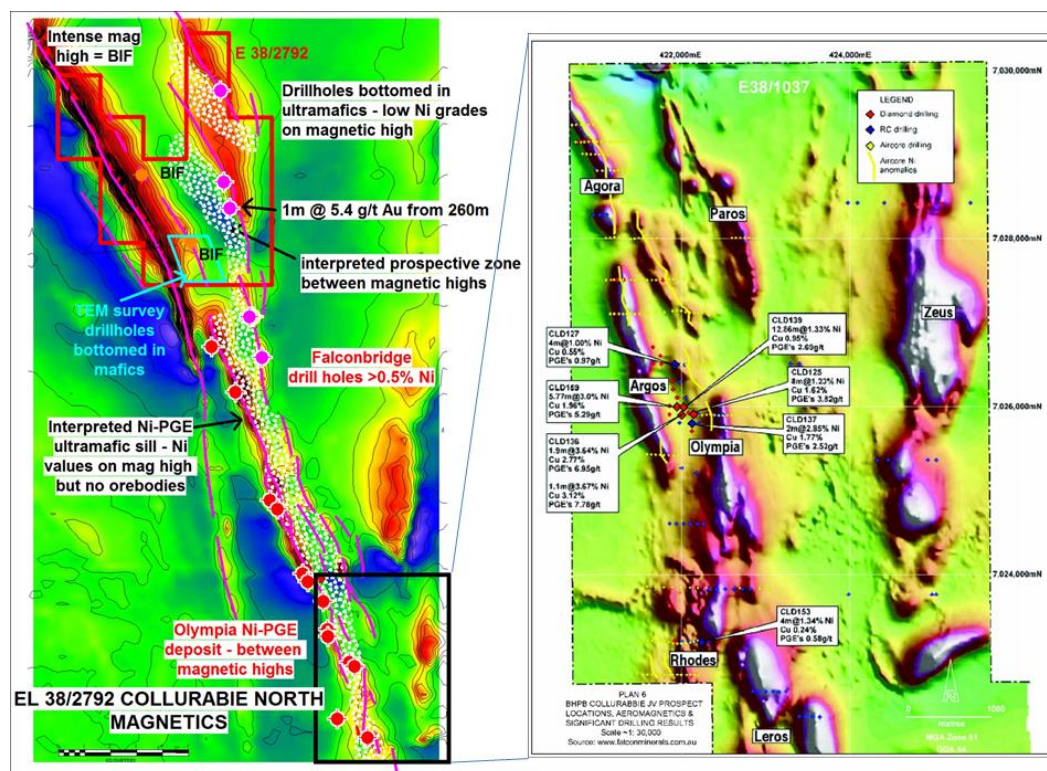


Figure 7: Location of historic drilling and magnetic highs at Collurabie North (EL 38/2792)

Muleryon Hill (Western Australia)

During the second half of the year the Company was granted EL59/1921 (Muleryon Hill) located approximately 70km south-east of Mount Magnet in Western Australia, and is immediately north of the Muleryon Hill Ni-PGE prospect. Previous work conducted by other parties include magnetic survey results which have been interpreted as a fault bounded ultramafic belt and Induced Polarisation (IP) results that suggests the potential for disseminated sulphides (Figure 8).

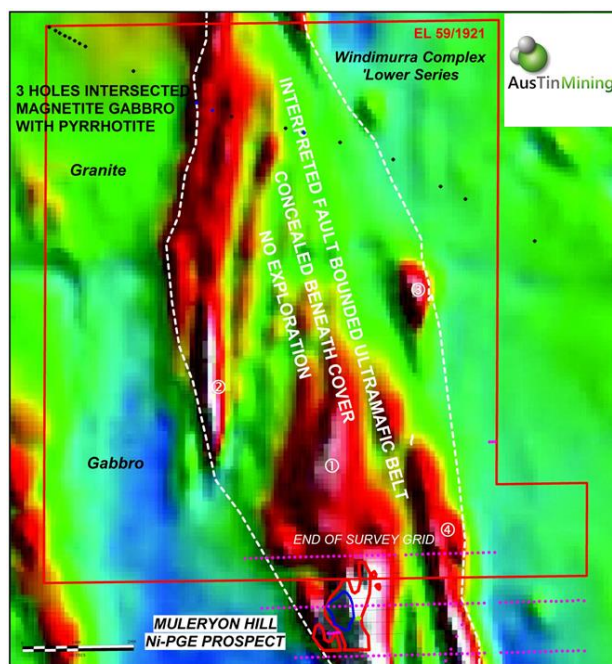


Figure 8: Muleryon magnetic survey with interpreted fault bounded ultramafic belt

Competent Persons Statement

The information in this presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of Aus Tin Mining. Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears. The information that relates to Mineral Resources is based on information extracted from the report entitled "Maiden JORC Resource Estimated for the Taronga Tin Project" created on 26th August 2013 and is available to view on www.austinmining.com.au. Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In the information in this Announcement that relates to Ore Reserves is based on information extracted from the report entitled "Pre-Feasibility Advances the Taronga Tin Project" created on 7th April 2014 and is available to view on www.austinmining.com.au. Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

DIRECTORS' REPORT

Your Directors submit their report for the financial year ended 30 June 2014.

DIRECTORS

The names of the Directors in office during the financial year and up to the date of this report are:-

Brian Moller
Nicholas Mather
Ben Harrison (resigned 24 February 2014)
John Bovard
Richard Willson

The details of the Directors in office at the date of this report are as follows:

Brian Moller - Non-Executive Chairman *LLB (Hons)*

Brian Moller is a corporate partner in the Brisbane based law firm Hopgood Ganim. He was admitted as a solicitor in 1981 and has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.

He holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas. During the past three years Mr Moller has also served as a director of the following listed companies:

- DGR Global Ltd
- Platina Resources Ltd
- Navaho Gold Ltd
- SolGold plc., which is listed on the London Stock Exchange (AIM)
- Buccaneer Energy Ltd (resigned 29 November 2013)

Nicholas Mather - Non-Executive Director *BSc (Hons, Geol), MAusIMM*

Nick Mather's special area of experience and expertise is the generation of and entry into undervalued or unrecognized resource exploration opportunities. He has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Mr Mather brings a wealth of valuable experience.

During the past three years Mr Mather has also served as a director of the following listed companies:

- DGR Global Ltd
- Orbis Gold Ltd
- Navaho Gold Ltd
- Bow Energy Ltd (resigned 11 January 2012)
- Armour Energy Ltd
- Lakes Oil NL (appointed 7 February 2012)
- SolGold plc., which is listed on the London Stock Exchange (AIM)

Directors' Report (continued)

John Bovard - Non-Executive Director

BE Civil, FAusIMM

John Bovard is a civil engineer with over 40 years' experience in mining, heavy construction, project development and corporate management throughout Australia. His career to date has included roles as CEO of public companies and both Executive and Non-Executive Directorships. He holds a Bachelor's Degree in Civil Engineering, is a Fellow of the Australasian Institute of Mining and Metallurgy, and a Fellow of the Australian Institute of Company Directors.

Mr Bovard is currently the Non-Executive Chairman of the ASX-listed Orbis Gold Limited and Non-Executive Director of AIM-listed SolGold Plc. Other previous roles have included Non-Executive Director of Australian Pacific Coal Limited (resigned 29 November 2012).

He was also Project Manager for the \$A800 million Phosphate Hill Fertiliser Project for Western Mining Corporation (WMC) situated south of Mount Isa in Queensland, Australia. Other previous project experience includes managing the construction of the Porgera Mine in Papua New Guinea, the Super Pit expansion at Kalgoorlie, and the development of the Bronzewing Gold Mine in Western Australia. He was previously the General Manager of the giant OK Tedi porphyry Copper Gold Mine. Mr Bovard's corporate profile, together with his extensive experience in south west Pacific mining operations and construction is considered to be of great value to Aus Tin Mining Ltd.

Richard Willson - Non-Executive Director

BAC, FCPA, FAICD

Mr Willson is an accountant with more than 20 years' experience in public practice and in various financial management and company secretarial roles within the resources and agricultural sectors for both publicly listed and private companies.

Mr Willson has a Bachelor of Accounting from the University of South Australia, is a fellow of CPA Australia, and a Fellow of the Australian Institute of Company Directors.

In addition to his role as Chief Financial Officer and Company Secretary with Aurelia Metals Limited, Mr Willson is a Non-Executive Director and Company Secretary of the not-for-profit Unity Housing Company. Mr Willson was a Non-Executive Director of Tellus Resources Limited until December 2013.

Directors' Report (continued)

As at the date of this report, the interests of the directors in the shares and options of Aus Tin Mining Ltd were:

	Number of ordinary shares	Number of options over ordinary shares
Brian Moller	10,526,236	-
Nicholas Mather	63,287,785	22,231,115
John Bovard	10,724,881	5,000,000
Richard Willson	4,066,750	5,000,000

COMPANY SECRETARY

Karl Schlobohm - Company Secretary
B.Comm, B.Econ, M.Tax, CA, AICD

Karl Schlobohm is a Chartered Accountant with over 20 years' experience across a wide range of industries and businesses. He has extensive experience with financial accounting, corporate governance, company secretarial duties and board reporting. Over the past 5 years, Mr Schlobohm has contracted into roles as CFO and/or Company Secretary for a number of ASX-listed resource companies including Linc Energy, Discovery Metals and Meridian Minerals.

He currently acts as the Company Secretary for ASX-listed DGR Global Ltd, Navaho Gold Ltd, Armour Energy Ltd and LSE(AIM)-listed SolGold Plc.

CORPORATE STRUCTURE

Aus Tin Mining Ltd is a company limited by shares that is incorporated and domiciled in Australia. It was converted to a public company on 23 October 2008, and became an ASX-listed company on 21 October 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year involved exploration for tin, nickel and other commodities.

On 27 December 2012, Aus Tin Mining Limited effectively acquired 100% of the issued shares of Taronga Mines Limited ("Taronga") through an off-market takeover offer. The merger with Taronga was accounted for under AASB 2 and deemed to be similar to a reverse acquisition for accounting purposes, as the shareholders of Taronga retained over 66% of the voting rights in the merged entity. Accordingly, Taronga was deemed to be the acquirer in the merger for accounting purposes and the accounts presented are a continuation of the Taronga financial statements.

EMPLOYEES

The Company had no full-time, permanent employees as at 30 June 2014. Additional support from DGR Global and the Board of Directors was provided, and consultants were used as required.

DIVIDENDS

No dividend was declared or paid.

SIGNIFICANT EVENTS AFTER BALANCE DATE

Subsequent to the end of the year, the Group issued 135,921,750 ordinary shares at \$0.004 per share, raising \$543,687 as a result of successful completion of a private placement.

On 10 September 2014, the Company announced a Non-Renounceable rights issue to eligible shareholders to raise up to \$1,614,000, which is expected to be completed after the date of this report. This transaction will also include a conversion of debt to equity in relation to monies owed to certain related parties and certain directors.

The Directors are not aware of any other significant changes in the state of affairs of the Company after the balance date that is not covered in this report.

Directors' Report (continued)

REVIEW AND RESULTS OF OPERATIONS

The loss after income tax for the Group for the year ended 30 June 2014 was \$641,140 (2013: \$1,821,672).

The review of operations for the year is discussed in the Annual Report under the heading "Review of Operations".

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or the financial statements of the Group for the financial year.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Planned developments in the operations of the Group and the expected results of those operations in subsequent financial years have been discussed where appropriate in the Annual Report under Review of Operations.

There are no further developments of which the Directors are aware which could be expected to affect the results of the Group's operations and plans, other than information which the Directors believe comment on, or disclosure of, would prejudice the interests of the Group.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Directors have put in place strategies and procedures to ensure that the Group manages its compliance with environmental regulations. The Directors are not aware of any breaches of any applicable environmental regulations.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied to the Court under section 237 of *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001*.

REMUNERATION REPORT (AUDITED)

Remuneration Policy

The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Group. Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

Directors' Report (continued)

Remuneration report (continued)

The Group aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group. The Board's policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company's specific policy for determining the nature and amount of remuneration of Board members of the Company is as follows:

The Constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-Executive Directors. A Non-Executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the Company.

All Directors have the opportunity to qualify for participation in the Directors' and Executive officers' option plan, subject to the approval of shareholders.

The remuneration of Non-Executive Directors for the year ended 30 June 2014 is detailed in this Remuneration Report.

Executive Remuneration

The Company aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executives may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

The remuneration of the Executives employed by the Company for the year ended 30 June 2014 is detailed in this Remuneration Report.

Directors' Report (continued)

Remuneration report (continued)

Relationship between remuneration and Company performance

During the financial year, the Company has generated losses as its principal activity was mineral exploration.

The Company listed on the ASX on 21 October 2010. The following table show the share price at the end of the financial year for the Company since listing:

	30 June 2011	30 June 2012	30 June 2013	30 June 2014
Share price at year end	\$0.04	\$0.024	\$0.007	\$0.003

There were no dividends paid during the year ended 30 June 2014.

As the Company is still in the exploration and development stage, the link between remuneration, Company performance and shareholder wealth is tenuous. Share prices are subject to the influence of metals prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration. The Company has not sought the advice of Remuneration Consultants.

Employment contracts

It is the Board's policy that employment agreements are entered into with all Executives and employees.

The current executive services agreement with the CEO has a notice period of three (3) months.

All other employment agreements have one month (or less) notice periods.

The terms of appointment for Non-Executive Directors are set out in letters of appointment.

Executives are entitled to their statutory entitlements of accrued annual leave and long service leave together with any superannuation on termination. No other termination payments are payable.

Chief Executive Officer

The Company has a two (2) year Consultancy Agreement with Mr Peter Williams, which took effect from 29 January 2013 and replaced the Consultancy Agreement in place with Mr Peter Williams and Taronga Mines Limited. The Consultancy Agreement has an option to be extended for an additional two (2) years.

Under the terms of the agreement:

- Mr Williams is entitled to a base remuneration of \$16,828 per month and this base is increased to \$18,671 per month if the Company's market capitalisation is equal to or greater than \$100 million.
- Mr Williams was issued with 8,919,595 Performance Shares which converted to ordinary shares upon achieving certain performance milestones. These included completion of 12 months service with the Company (2,973,200 Performance Shares) and the finalisation of a pre-feasibility study with respect of exploration licenses 6839, 7348, 7800 and 7801 in New South Wales (5,946,395 Performance Shares). The performance shares vested subject to the performance milestones being met. The milestone conditions were chosen to ensure stability of management and to create a stronger link between the Chief Executive Officer's performance and reward whilst increasing Shareholder value in the Company.
- Both the Company and Mr Williams are entitled to terminate the contract upon giving three (3) months written notice.
- The Company is entitled to terminate the agreement immediately upon Mr Williams's insolvency or certain acts of misconduct.

Directors' Report (continued)

Remuneration report (continued)

Chief Executive Officer (continued)

- Mr Williams may earn a series of performance bonuses (short term incentives) equal to \$144,000 or \$160,000 if the market capitalisation of the Company is greater than \$100 million. The performance bonuses are payable on meeting the following key performance indicators aimed at creating a stronger link between the Chief Executive Officer's performance and reward whilst increasing Shareholder value in the Company:
 - 10% - compliance with statutory requirements and board reporting
 - 25% - share price re-rating
 - 25% - project advancement and value adding acquisition
 - 30% - promotional achievement, capital management and successful capital raising
 - 10% - no lost time injury and adherence to OH&S policies

The proportion of performance based payments paid/payable or forfeited to the Chief Executive Officer during the year is as follows:

Performance Payment Paid/Payable		Performance Payment Forfeited	
2014	2013	2014	2013
60%	N/A	40%	N/A

Other Executives

Employment contracts entered into with Executives contain the following key terms:

Event	Company Policy
Performance based salary increases and/or bonuses	Board discretion
Short and long-term incentives, such as options	Board discretion
Resignation/ notice period	1 month
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulations (i.e. 'golden handshakes')	None
Duration	No fixed duration

Details of Key Management Personnel

The following persons were Directors of the Company:

(i) Directors

Brian Moller
 Nicholas Mather
 Ben Harrison (resigned 24 February 2014)
 John Bovard
 Richard Willson

The following persons were Executives of the Company:

(ii) Other Key Management Personnel

Peter Williams Chief Executive Officer
 Karl Schlobohm Company Secretary
 Priy Jayasuriya* Chief Financial Officer

* Priy Jayasuriya is currently remunerated by DGR Global Ltd.

Directors' Report (continued)

Remuneration report (continued)

Remuneration of Directors and Other Key Management Personnel

The below table represents the remuneration for Taronga Mines Ltd Directors and Other Key Management personnel for the period 1 July 2012 to the date of the merger transaction (27 December 2012) and then for the combined entity to 30 June 2014.

Directors	Short term benefits		Post-employment	Share based payments Equity settled		Total	% Consisting of options/shares	% Performance related
	Salary & fees \$	Bonus \$		Superannuation \$	Options \$			
Current Directors								
Brian Moller								
- 2014	50,000	-	-	-	-	50,000	-	-
- 2013	24,167	-	-	-	-	24,167	-	-
Nicholas Mather								
- 2014	100,000	-	-	-	-	100,000	-	-
- 2013	19,167	-	-	10,433	-	29,600	35%	-
John Bovard								
- 2014	43,200	-	-	-	-	43,200	-	-
- 2013	18,172	-	-	5,216	-	23,388	22%	-
Richard Willson								
- 2014	40,000	-	-	-	-	40,000	-	-
- 2013	18,172	-	-	5,216	-	23,388	22%	-
Former Directors								
John Downie ¹								
- 2014	-	-	-	-	-	-	-	-
- 2013	17,935	-	-	-	-	17,935	-	-
Ben Harrison ²								
- 2014	26,071	-	-	-	-	26,071	-	-
- 2013	19,167	-	-	-	-	19,167	-	-
Subtotal remuneration								
- 2014	259,271	-	-	-	-	259,271		
- 2013	116,780	-	-	20,865	-	137,645		

¹ John Downie resigned as Non-Executive Director on 19 April 2013.

² Ben Harrison resigned as Non-Executive Director on 24 February 2014.

Directors' Report (continued)

Remuneration report (continued)

Remuneration of Directors and Other Key Management Personnel (continued)

Key Management Personnel	Short term benefits		Post-employment	Share based payments Equity settled		Total	% Consisting of options/shares	% Performance related
	Salary & fees \$	Bonus \$	Superannuation \$	Options \$	Shares \$	\$		
Current Executives								
Peter Williams								
- 2014	201,936	86,400	-	-	25,272	313,608	11%	36%
- 2013	176,134	-	-	-	126,361	302,495	-	-
Karl Schlobohm								
- 2014	50,000	-	-	-	-	50,000	-	-
- 2013	23,333	-	-	-	-	23,333	-	-
Priy Jayasuriya ¹								
- 2014	-	-	-	-	-	-	-	-
- 2013	-	-	-	-	-	-	-	-
Former Executives								
Melanie Leydin ²								
- 2014	-	-	-	-	-	-	-	-
- 2013	33,500	-	-	-	-	33,500	-	-
Subtotal remuneration								
- 2014	251,936	86,400	-	-	25,272	363,608		
- 2013	232,967	-	-	-	126,361	359,328		
Total remuneration								
- 2014	511,207	86,400	-	-	25,272	622,879		
- 2013	349,747	-	-	20,865	126,361	496,973		

¹ Priy Jayasuriya is remunerated by DGR Global Ltd.

² Melanie Leydin resigned as Company Secretary on 27 December 2012.

Directors' Report (continued)

Remuneration report (continued)

Remuneration of Directors and Other Key Management Personnel (continued)

There were no other executives employed or remunerated by the Company during the years ended 30 June 2014 and 2013.

Performance income as a proportion of total remuneration

Mr Williams was issued with 8,919,595 Performance Shares which converted to ordinary shares upon achieving certain performance milestones. These included completion of 12 months service with the Company (2,973,200 Performance Shares) and the finalisation of a pre-feasibility study with respect of exploration licenses 6839, 7348, 7800 and 7801 in New South Wales (5,946,395 Performance Shares). The performance shares vested subject to the performance milestones being met. In addition Mr Williams met certain key performance targets under his short term incentive plan and was awarded a bonus of \$86,400. There was no other performance based remuneration during the year (2013: Nil).

Options issued as part of remuneration for the year ended 30 June 2014

Options may be issued to Directors and Executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to the majority of Directors and Executives of the Company to align comparative shareholder return and reward for Directors and Executives. There were no options issued as part of remuneration for the year ended 30 June 2014. During the prior year the Taronga options issued to Directors were converted into Aus Tin Mining Ltd options at a ratio of five Aus Tin Mining Ltd options for every one Taronga option held. This was treated as a modification and as a result an additional share based payment expense of \$20,865 was recognised. The modified options vested immediately, have an exercise price of \$0.04 each and expire on 30 June 2015.

Shares issued on exercise of remuneration options

There were no options exercised during the year that were previously granted as remuneration (2013: nil).

Performance shares issued as part of remuneration for the year ended 30 June 2014

There were no performance shares issued during the year ended 30 June 2014 (2013: 8,919,595).

Details of all performance shares issued that convert into ordinary shares in Aus Tin Mining Ltd at 30 June 2014 to Key Management Personnel as remuneration are set out below:

Key Management Personnel	Grant date	Grant number	Exercise price	Expiry date	Vest date	Number vested	% Vested	Value per performance share at grant date	Exercised in current year	Exercised in prior years	Balance at 30/6/14
P Williams	16/01/13	2,973,200	\$0.00	11/12/15	29/01/14	2,973,200	100%	\$0.017	2,973,200	-	-
P Williams	16/01/13	5,946,395	\$0.00	11/12/15	N/A	5,946,395	100%	\$0.017	5,946,395	-	-

During the year ended 30 June 2014, the performance shares converted into ordinary shares in Aus Tin Mining Ltd upon satisfaction of the performance milestones, which included the completion of 12 months service with the Company and the finalisation of the pre-feasibility study with respect of exploration licenses 6839, 7348, 7800 and 7801 in New South Wales.

The value per performance share at grant date was calculated using the value of the ordinary shares on the date the shares were allotted. There was no amount payable on exercise of the performance shares.

Directors' Report (continued)

Remuneration report (continued)

Additional disclosures relating to key management personnel

Shareholdings

Current Year	Balance 1 July 2013	Received as part of remuneration	Received on exercise of options or performance shares	Net Change Other	Balance 30 June 2014
Directors					
Brian Moller	2,282,820	-	-	2,788,666	5,071,486
Nicholas Mather	39,365,152	-	-	16,434,633	55,799,785
Ben Harrison ²	1,393,212	-	-	(1,393,212)	-
John Bovard	-	-	-	7,824,881	7,824,881
Richard Willson	-	-	-	1,150,000	1,150,000
Other Key Management Personnel					
Peter Williams	1,250,000	-	8,919,515	6,571,509	16,741,024
Karl Schlobohm	898,223	-	-	553,634	1,451,857
Priy Jayasuriya	-	-	-	-	-
Total	45,189,407	-	8,919,515	33,930,111	88,039,033

¹ "Net Change Other" above includes the balance of shares held on appointment / resignation, shares acquired or sold for cash on similar terms and conditions to other shareholders and shares issued for director fees in lieu of cash as approved at the Annual General Meeting of shareholders held on 21 November 2013.

There were no shares granted to Directors or Key Management Personnel as compensation or options exercised during the year ended 30 June 2014.

² Ben Harrison resigned as Non-Executive Director on 24 February 2014.

There were no shares held nominally at 30 June 2014.

Directors' Report (continued)

Remuneration report (continued)

Additional disclosures relating to key management personnel (continued)

Option holdings

	Balance 1 July 2013	Granted as Remuneration	Options Exercised	Net Change Other ¹	Balance 30 June 2014	Total Vested	Total Vested and Exercisable	Total Vested and Unexercisable
Directors								
Brian Moller	500,000	-	-	(500,000)	-	-	-	-
Nicholas Mather	10,500,000	-	-	(500,000)	10,000,000	10,000,000	10,000,000	-
Ben Harrison ²	-	-	-	-	-	-	-	-
John Bovard	5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Richard Willson	5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Other Key Management Personnel								
Peter Williams	-	-	-	-	-	-	-	-
Karl Schlobohm	-	-	-	-	-	-	-	-
Priy Jayasuriya	-	-	-	-	-	-	-	-
Total	21,000,000	-	-	(1,000,000)	20,000,000	20,000,000	20,000,000	-

¹ "Net Change Other" above includes the balance of options held on appointment / resignation, expired options and options acquired on similar terms and conditions to other shareholders.

² Ben Harrison resigned as Non-Executive Director on 24 February 2014.

Directors' Report (continued)

Remuneration report (continued)

Additional disclosures relating to key management personnel (continued)

Performance Shares

Current Year	Balance 1 July 2013	Granted as Remuneration	Conversion to Ordinary Shares	Balance 30 June 2014	Total Vested
Directors					
Brian Moller	-	-	-	-	-
Nicholas Mather	-	-	-	-	-
Ben Harrison	-	-	-	-	-
John Bovard	-	-	-	-	-
Richard Willson	-	-	-	-	-
Other Key Management Personnel					
Peter Williams	8,919,595	-	(8,919,595)	-	-
Karl Schlobohm	-	-	-	-	-
Priy Jayasuriya	-	-	-	-	-
Total	8,919,595	-	(8,919,595)	-	-

Loans to Key Management Personnel

There were no loans to Directors or other key management personnel during the current year (2013: none).

Other Transactions with Key Management Personnel

Director related party		Sales to related parties	Purchases from related parties	Other transactions with related parties
HG Corporate Consulting Pty Ltd (i)	2014	-	30,281	-
	2013	-	48,480	-
Mather Investments Pty Ltd (ii)	2014	-	85,746	-
	2013	-	-	-

(i) Mr Brian Moller (a Director), is a partner in the Australian firm Hopgood Ganim lawyers. For the year ended 30 June 2014, \$30,281 (2013: \$48,480) was paid or payable to Hopgood Ganim for the provision of legal services to the Group. The services were based on normal commercial terms and conditions. The total current amount payable at year end was \$148,340 (2013: \$225,046).

(ii) The Company entered into an underwriting agreement in relation to the non-renounceable rights issue announced to the market on the 26 July 2013 with Mather Investments (QLD) Pty Ltd an entity associated with Mr Nicholas Mather. Under the agreement Mather Investments (QLD) Pty Ltd was paid \$61,156 in cash and issued with 12,231,115 options, which vested immediately, are exercisable at \$0.025 expiring 25 November 2015, the Black-Scholes value of the options issued to Mather Investments was \$24,590. The total current amount payable at year end was nil (2013: nil).

(End of Remuneration Report)

Directors' Report (continued)

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Number of meetings held while in office	Board Meetings attended	Audit & Risk Management Committee Number of meetings held while in office	Meetings attended
Brian Moller	8	8	2	2
Nicholas Mather	8	7	-	-
Ben Harrison	6	5	1	1
John Bovard	8	4	1	1
Richard Willson	8	6	2	2

INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITOR

Each of the Directors and Secretary of the Company has entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors. The Company has insured all of the Directors. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances.

The Company has not indemnified or insured its auditor.

OPTIONS

At the date of this report, the unissued ordinary shares of Aus Tin Mining Ltd under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number under Option
16 January 2013	30 June 2015	\$0.04	65,500,000
25 November 2013	25 November 2015	\$0.025	12,231,115

No shares have been issued as a result of the exercise of share options since 1 July 2013. Share options do not carry any voting or dividend rights.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor BDO Audit Pty Ltd. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

BDO Audit Pty Ltd received the following amounts for the provision of non-audit services:

Corporate finance advice	\$nil
Tax services	\$nil

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of corporate governance. The Company's corporate governance statement can be found on page 24.

Directors' Report (continued)

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration forms part of the Directors' Report and can be found on page 32.

Signed in accordance with a resolution of Directors:



Brian Moller
Non-Executive Chairman

Brisbane

Date: 23 September 2014

DECLARATION OF INDEPENDENCE BY TIMOTHY KENDALL TO THE DIRECTORS OF AUS TIN MINING LIMITED

As lead auditor of Aus Tin Mining Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Aus Tin Mining Limited and the entities it controlled during the period.



T J Kendall
Director

BDO Audit Pty Ltd

Brisbane, 23 September 2014

Shareholder Information

(a) Distribution Schedule

Fully Paid Ordinary Shares, and Unlisted Options

	Ordinary Shares		Unlisted \$0.04 options exercisable on or before 30 June 2015		Unlisted \$0.025 options exercisable on or before 25 November 2015	
	Number of holders	Number of shares	Number of holders	Number of options	Number of holders	Number of options
1 - 1,000	7	2,264	-	-	-	-
1,001 - 5,000	2	5,424	-	-	-	-
5,001 - 10,000	90	892,971	-	-	-	-
10,001 - 50,000	133	3,832,717	-	-	-	-
50,000 - 100,000	50	4,252,907	-	-	-	-
100,001 and over	239	798,070,301	8	65,500,000	1	12,231,115
Total	521	807,056,584	8	65,500,000	1	12,231,115

The number of shareholders holding less than a marketable parcel of shares is 257 (holding a total of 6,486,283 ordinary shares).

(b) Twenty Largest Holders

The names of the twenty largest holders of ordinary shares in Aus Tin Mining Ltd as at 18 September 2014 are:

Ordinary shares:

1	TENSTAR TRADING LIMITED	106,450,709	13.19%
2	DGR GLOBAL LIMITED	88,687,100	10.99%
3	AURELIA METALS LIMITED	68,200,000	8.45%
4	SAMUEL HOLDINGS PTY LTD	51,642,287	6.40%
5	WILLIAM PETER WILLIAMS	26,019,595	3.22%
6	GML PASTORAL PTY LTD	18,750,000	2.32%
7	PINE MOUNTAIN PTY LTD	18,510,000	2.29%
8	RYTECH PTY LTD	16,000,000	1.98%
9	SERLETT PTY LTD	15,040,000	1.86%
10	MR WILLIAM PETER WILLIAMS & MRS DONNA ADELE WILLIAMS	11,071,429	1.37%
11	ASCERY PTY LTD	10,936,186	1.36%
12	GUY JONES PTY LTD	10,892,857	1.35%
12	JONES ORG PTY LTD	10,892,857	1.35%
13	STERLING MINING GROUP PTY LTD	10,724,881	1.33%
14	MR BRIAN MOLLER	9,964,865	1.23%
15	VITALSTATISTIX PTY LTD	9,786,250	1.21%
16	SAMUEL HOLDINGS PTY LTD	8,981,498	1.11%
17	MR JAMES MURRAY	8,391,327	1.04%
18	RPM SOLUTIONS PTY LTD	8,333,334	1.03%
19	GEOROCKE PTY LTD	7,143,000	0.89%
20	BIZZELL NOMINEES PTY LTD	6,968,957	0.86%
Top 20		523,387,132	64.85%
Total		807,056,584	100.00%

Shareholder Information (continued)

(c) Substantial shareholders

The Company has received substantial shareholding notices from the following parties:

Name	Number of Shares	Current %
Tenstar Trading Limited	106,450,709	13.19%
DGR Global Ltd	88,687,100	10.99%
Aurelia Metals (formerly YTC Resources Limited)	68,200,000	8.45%
Nicholas Mather	63,287,785	7.84%

(d) Voting rights

All ordinary shares carry one vote per share without restriction.

(e) Unquoted equity securities greater than 20%

Name	Number of Unlisted Performance Shares	Number of Options Exercisable at 4 cents	Number of Options Exercisable at 30 cents	% of that Class of Equities
DGR Global Ltd			20,000,000	44.3%
Aurelia Metals Limited		27,500,000		41.98%

INTEREST IN TENEMENTS

As at the date of this report, the Company has an interest in the following tenements.

Tenement	% Interest	Grant Date	Application Date	Expiry Date	Term
EPM 19366	100%	9.08.12		8.08.15	3 years
EPM 17768	100%	18.12.13		17.12.16	3 years
EL 50/2011	100%	21.05.12		20.05.17	5 years
EL 59/1921	100%		12.10.12	N/A	
EL 38/2792	100%		02.11.12	N/A	
EL 7348	100%	29.05.09		29.05.15	6 years
EL 7800	100%	23.03.11		04.07.15	4 years
EL 7801	100%	23.03.11		04.07.15	4 years
EL 6839	100%	24.07.07		24.07.15	8 years
EL 4866	100%		22.08.13	N/A	

CORPORATE GOVERNANCE STATEMENT

The Board of directors of Aus Tin Mining Ltd is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Aus Tin Mining Ltd on behalf of the shareholders by whom they are elected and to whom they are accountable.

Aus Tin Mining Ltd's Corporate Governance Statement was adopted on 28 May 2010, and is structured with reference to the Australian Securities Exchange ("ASX") Corporate Governance Council's (the "Council") "Corporate Governance Principles and Recommendations, 2nd Edition", which are as follows:

Principle 1	Lay solid foundations for management and oversight
Principle 2	Structure the Board to add value
Principle 3	Promote ethical and responsible decision making
Principle 4	Safeguard integrity in financial reporting
Principle 5	Make timely and balanced disclosure
Principle 6	Respect the rights of shareholders
Principle 7	Recognise and manage risk
Principle 8	Remunerate fairly and responsibly

A copy of the eight Corporate Governance Principles and Recommendations can be found on the ASX's website.

The Company's Corporate Governance Charter can be obtained, at no cost, from the Company's registered office and is also available on the Company's website www.austinmining.com.au

COMMITTEES

The Audit and Risk Management Committee comprises Mr Richard Willson, Mr Brian Moller and Mr John Bovard. The Company has adopted an Audit and Risk Management Charter setting out the composition, purpose, powers and scope of the Committee as well as reporting requirements. Extracts of this Charter are available at the Company's website www.austinmining.com.au

The Company does not have any other formally constituted committees of the Board of Directors. The Directors consider that the Company is not of a size nor are its affairs of such complexity as to justify the formation of any other special or separate committees at this time. The Board as a whole is able to address the governance aspects of the Company's activities and ensure that it adheres to appropriate ethical standards. This statement outlines the main corporate governance policies, which the Directors have adopted.

COMPOSITION OF THE BOARD

The Board is comprised of four Directors. The names, qualifications and relevant experience of each current Director are set out in the Directors Report. There is no requirement for any Director's shareholding qualification.

As the Company's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to adequately supervise the Company's activities determined within the limitations imposed by the Constitution.

BOARD MEMBERSHIP

The Board acts as a nomination committee. Members of the Board have been brought together to provide a blend of qualifications, skills and national and international experience required for managing a company operating within the mining industry.

APPOINTMENT AND RETIREMENT OF DIRECTORS

The Company's Constitution provides that Directors are subject to retirement by rotation, by order of length of appointment. Retiring Directors are eligible for re-election by Shareholders at the annual general meeting of the Company.

DUTIES OF DIRECTORS

Directors are expected to accept all duties and responsibilities associated with the running of a public company, to act in the best interests of the Company and to carry out their duties and responsibilities with due care and diligence.

Directors are required to take into consideration conflicts when accepting appointments to other boards. Accordingly, Directors wishing to accept appointment to other boards must first seek approval from the Board, approval of which will not be unreasonably withheld.

INDEPENDENT PROFESSIONAL ADVICE

The Board has determined that individual Directors may, in appropriate circumstances, engage outside advisers at the Company's expense. The engagement of an outside adviser is subject to the prior approval of the Board, which will not be unreasonably withheld.

COMPENSATION ARRANGEMENTS

The maximum aggregate amount payable to non-executive Directors as Director's fees has been set at three hundred and fifty thousand dollars (\$350,000) per annum. The Constitution provides that Director's fees can only change pursuant to a resolution at a general meeting.

The Board is responsible for reviewing and negotiating the compensation arrangements of senior executives and consultants.

INTERNAL MANAGEMENT CONTROLS

The Company's assets are located in Australia. Control over the operations is exercised by senior management. The Board also monitors the performance of outside consultants engaged from time to time to complete specific projects and tasks.

IDENTIFYING SIGNIFICANT BUSINESS RISKS

The Board regularly monitors the operational and financial performance of the Company's activities. It monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management. All operational and financial strategies adopted are aimed at improving the value of the Company's Shares, however, the Directors recognise that mineral exploration and evaluation is inherently risky.

ASX CORPORATE GOVERNANCE

To further enhance listed entities' disclosure of corporate governance issues, the ASX Corporate Governance Council (CGC) was established on 1 August 2002. The CGC was established for the purpose of setting an agreed set of corporate governance standards of best practice for Australian listed entities. The ASX Guidelines articulate core principles that the CGC believes underlie good corporate governance. The Company is reporting against the Second Edition of the Corporate Governance Guidelines. It provides that a listed entity's Annual Report is required to disclose its main corporate governance practices and also the extent to which the entity complies with the ASX Guidelines and where it does not, to explain why.

TRADING POLICY

The Directors and Executives of the Company are subject to a number of restrictions in relation to them dealing in Shares of the Company, all of which are incorporated in a Trading Policy which is part of the Company's Corporate Governance Policies and Procedures. Directors and Executives are specifically precluded from dealing in Shares during certain "close" periods, with specific exceptions (eg. participation in rights issues, etc). Prior to any dealing in Shares the Director or Executive must seek, and receive, written clearance for the intended transaction from the Chairman of the Board.

DIVERSITY POLICY

The recruitment and selection processes adopted by the Company ensure that staff and management are selected in a non-discriminatory manner based on merit. The Company also values diversity in the organisation. In light of recent amendments to the ASX's Corporate Governance Principles, the Company has developed a formal Diversity Policy which is available on the Company's website (www.austinmining.com.au).

The Company respects and values the competitive advantage of diversity (which includes but is not limited to gender, age, ethnicity and cultural background), and the benefit of its integration throughout the Company in order to improve corporate performance, increase shareholder value and maximise the probability of achievement of the Company's goals. However, the Board of Directors does not believe that the Company is currently of a sufficient size to justify the establishment of formal and measureable objectives, having regard to the nature and scale of its activities.

The Company currently has no direct employees and accordingly, has no female Directors, executives or employees. However, under a contractual agreement with DGR Global, various services of an administrative,

accounting and business development nature are provided, and whose staff include female executives and employees directly involved in the provision of services to Aus Tin Mining Ltd.

CORPORATE GOVERNANCE STATEMENT

The Company has adopted a Corporate Governance Charter in order to implement and maintain a culture of good corporate governance both internally and in its external dealings. In adopting the Corporate Governance Charter the Board is mindful of the ASX Guidelines. The original Corporate Governance Charter has also been supplemented by the adoption of a Trading Policy and a Diversity Policy, both of which are summarised above.

In addition to any matters specifically addressed above, the following table briefly addresses the areas where the Company has departed from the ASX Guidelines. Where the Company's Corporate Governance practices do not correlate with the practices recommended by the CGC, the Company is working towards compliance; however it does not consider that all practices are appropriate for the Company due to the size and scale of Company operations.

The Board is of the view that with the exception of the departures from the ASX Guidelines noted above and / or set out in the following table it otherwise complies with all of the ASX Guidelines.

Areas where the Company has departed from the ASX guidelines

ASX Principles and Recommendations	Summary of the Company's Position
Principle 1 - Lay Solid Foundations for Management and Oversight	
Recommendation 1.2 - Companies should disclose the process for evaluating the performance of senior executives	The Board has not established a separate nomination committee. In the absence of a formally constituted nomination committee, the full Board is responsible for the proper oversight of the Board, the Directors and senior management. The Board considers that given its size, no efficiencies or other benefits would be gained by establishing a separate committee.
Principle 2 - Structure Board to Add Value	
Recommendation 2.1 - A majority of the board should be independent directors	Presently under the ASX Guidelines it is considered that there is only one independent director. While the Company does not presently comply with this Recommendation 2.1, the Company may consider appointing further independent Directors in the future. The Company believes that given the size and scale of its operations, non-compliance by the Company with this Recommendation 2.1 will not be detrimental to the Company.
Recommendation 2.2 - The Chair should be an independent director	Brian Moller is the Chairman of the Company, but is not considered to be independent under the ASX Guidelines. The Company is of the view that the size and scale of its current operations do not warrant the appointment of an independent Chairperson and that non-compliance with this Recommendation 2.2 will not be detrimental to the Company.
Recommendation 2.4 - The board should establish a nomination committee	The Board's view is that the Company is not currently of the size to justify the formation of a separate nomination committee. The Board currently performs the functions of a nomination committee and where necessary will seek the advice of external advisors in relation to this role. The Board shall, upon the Company reaching the requisite corporate and commercial maturity, approve the constitution of a nomination committee to assist the Board in relation to the appointment of Directors and senior management.
Recommendation 2.5 - Disclose the process for evaluating the performance of the Board, its committees and individual directors	The Company did not conduct a performance evaluation of the Board and has not adopted a performance evaluation policy. The Company believes that given the small size of the Board and the current scale of the Company's activities makes the establishment of a formal performance evaluation strategy unnecessary. Performance evaluation is a discretionary matter for the consideration by the entire Board and in the normal course of the Company events the Board will review performance of the management, directors and the Board as whole.

ASX Principles and Recommendations	Summary of the Company's Position
Principle 4 - Safeguard Integrity in Financial Reporting	
<p>Recommendation 4.2 - The audit committee should be structured so that it:</p> <ul style="list-style-type: none"> Consists only of non-executive directors Consists of a majority of independent directors Is chaired by an independent chair, who is not chair of the board Has at least three members 	<p>The Audit Committee is currently comprised of Messrs Moller, Bovard and Wilson. While the Company does not presently comply with this Recommendation 4.2 (at the date of this report, Mr Bovard is considered to be the only independent director under the ASX guidelines), the Company may consider appointing further independent directors in the future at which time it may reconsider the composition of the audit committee. The Company believes that given the size of and scale of its operation, non-compliance by the Company with this Recommendation 4.2 will not be detrimental to the Company.</p>
Principle 7 - Recognise and Manage Risk	
<p>Recommendation 7.2 - The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.</p>	<p>The Board is responsible for reviewing and ratifying systems of risk management and internal compliance.</p>
Principle 8 - Remunerate Fairly and Responsibly	
<p>Recommendation 8.1 - The board should establish a remuneration committee</p>	<p>The Board has not established a remuneration committee. The Board considers that given its size, no efficiencies or other benefits would be gained by the establishing of such a committee. The role of the remuneration committee is carried out by the full Board. The Company has adopted a Remuneration Committee Charter, which is set out in the Company's Corporate Governance Charter.</p>
<p>Recommendation 8.2 - The Remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> Consist of a majority of independent directors Is chaired by an independent chair Has at least three members 	<p>The Board has not established a remuneration committee. The Board considers that given its size, no efficiencies or other benefits would be gained by the establishing of such a committee. The role of the remuneration committee is carried out by the full board. The Company has adopted a Remuneration Committee Charter, which is set out in the Company's Corporate Governance Charter.</p>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

	Notes	2014 \$	2013 \$
Revenue	2	1,057	7,138
Other income	2	7,418	24,453
Revenue and other income		8,475	31,591
Administration and consulting expenses		(1,048,385)	(649,190)
Depreciation		(1,702)	(4,856)
Employee benefits expenses		(22,850)	(18,091)
Exploration costs written-off		-	(15,484)
Legal expenses		(11,956)	(217,571)
Share based payments expense		(25,272)	(194,696)
Listing expense		-	(250,000)
(Loss) before income tax	3	(1,101,690)	(1,318,297)
Income tax benefit/(expense)	4	460,550	(503,375)
(Loss) for the year		(641,140)	(1,821,672)
Other comprehensive income		-	-
Total comprehensive income for the year		(641,140)	(1,821,672)

Earnings per share		Cents per share	Cents per share
Basic earnings per share	8	(0.1)	(0.5)
Diluted earnings per share	8	(0.1)	(0.5)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	Notes	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	9	27,375	92,060
Trade and other receivables	10	40,941	89,548
Other current assets	11	47,500	28,190
Total current assets		115,816	209,798
Non-current assets			
Other financial assets	12	129,187	185,187
Property, plant and equipment	14	433	19,480
Exploration and evaluation assets	15	9,302,764	8,779,186
Total non-current assets		9,432,384	8,983,853
Total assets		9,548,200	9,193,651
Current liabilities			
Trade and other payables	16	980,832	615,132
Other financial liabilities	17	-	7,778
Total current liabilities		980,832	622,910
Non-current liabilities			
Other financial liabilities	17	-	12,472
Deferred tax liability	4	-	503,375
Total non-current liabilities		-	515,847
Total liabilities		980,832	1,138,757
Net assets		8,567,368	8,054,894
Equity			
Issued capital	18	12,177,125	10,921,740
Reserves		1,006,525	1,108,296
Accumulated losses	20	(4,616,282)	(3,975,142)
Total equity attributable to owners of Aus Tin Mining Ltd		8,567,368	8,054,894

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

	Issued Capital	Accumulated Losses	Share Based Payment Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2012	6,452,875	(2,153,470)	913,600	5,213,005
Loss for the year	-	(1,821,672)	-	(1,821,672)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(1,821,672)	-	(1,821,672)
Shares issued during the year	4,468,865	-	-	4,468,865
Share issue costs, net of tax	-	-	-	-
Share based payments	-	-	194,696	194,696
Balance at 30 June 2013	10,921,740	(3,975,142)	1,108,296	8,054,894
Loss for the year	-	(641,140)	-	(641,140)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(641,140)	-	(641,140)
Shares issued during the year	1,228,268	-	-	1,228,268
Share issue costs, net of tax	(124,516)	-	24,590	(99,926)
Share based payments	-	-	25,272	25,272
Conversion of performance shares to ordinary shares	151,633	-	(151,633)	-
Balance at 30 June 2014	12,177,125	(4,616,282)	1,006,525	8,567,368

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2014

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Receipts in the ordinary course of business		-	-
Payments to suppliers and employees (inclusive of GST)		(678,104)	(714,212)
Interest received		1,057	7,138
Interest paid		-	(1,225)
Net cash flows from operating activities	21	(677,047)	(708,299)
Cash flows from investing activities			
Deposit on land		(47,500)	-
Refund of security deposits		56,000	15,151
Cash acquired on asset acquisition		-	744,017
Proceeds from sale of property, plant and equipment		22,727	-
Payments for exploration and evaluation assets		(420,666)	(231,428)
Net cash flows from investing activities		(389,439)	527,740
Cash flows from financing activities			
Proceeds from the issue of shares		1,054,591	-
Transactions costs on the issue of shares		(32,540)	-
Payments on leases		(20,250)	(3,600)
Net cash flows from financing activities		1,001,801	(3,600)
Net increase/(decrease) in cash and cash equivalents		(64,685)	(184,159)
Cash and cash equivalents at the beginning of the year		92,060	276,219
Cash and cash equivalents at the end of the year	9	27,375	92,060

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies

Corporate Information

The financial report of Aus Tin Mining Ltd for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the directors on 23 September 2014.

Aus Tin Mining Ltd (the Company) is a public company limited by shares incorporated and domiciled in Australia. The Company's registered office is located at Level 27, 111 Eagle Street, Brisbane, QLD 4000.

The nature of the operations and principal activities of the Company are described in the director's report.

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report covers Aus Tin Mining Ltd and its subsidiaries and is presented in Australian dollars.

Compliance with IFRS

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of Aus Tin Mining Ltd comply with International Financial Reporting Standards (IFRS).

Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group has not generated revenues from operations. As such, the Group's ability to continue to adopt the going concern assumption will depend upon a number of matters including the successful raising in the future of necessary funding, the ongoing support of creditors, expenditure reductions in the current year and the successful exploration and subsequent exploitation of the Group's tenements. In the absence of these matters being successful, there exists a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and therefore, it may be unable to realize its assets and discharge its liabilities in the ordinary course of business.

Subsequent to the end of the year, the Group issued 135,921,750 ordinary shares at \$0.004 per share, raising \$543,687 as a result of successful completion of a private placement.

On 10 September 2014, the Company announced a Non-Renounceable rights issue to eligible shareholders to raise up to \$1,614,000, which is expected to be completed after the date of this report. This transaction will also include a conversion of debt to equity in relation to monies owed to certain related parties and certain directors.

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies

(a) New Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Company has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2013:

Reference	Title	Application date of standard	Application date for the Company
AASB 10	Consolidated Financial Statements	1 January 2013	1 July 2013
AASB 11	Joint Arrangements	1 January 2013	1 July 2013
AASB 12	Disclosure of Interests in Other Entities	1 January 2013	1 July 2013
AASB 13	Fair Value Measurements	1 January 2013	1 July 2013
AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13	1 July 2013	1 July 2013
AASB 119	Employee Benefits (September 2011)	1 July 2013	1 July 2013
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)	1 July 2013	1 July 2013
AASB 127	Separate Financial Statements (Revised)	1 July 2013	1 July 2013
AASB 128	Investments in Associates and Joint Ventures (Reissued)	1 July 2013	1 July 2013
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 July 2013	1 July 2013
AASB 2012-2	Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities	1 July 2013	1 July 2013
AASB 2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	1 July 2013	1 July 2013
AASB 2012-10	Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	1 July 2013	1 July 2013
AASB 2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement	1 July 2013	1 July 2013

The adoption of the above standards and interpretations did not have any material impact on the current or any prior period and is not likely to materially affect future periods.

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ending 30 June 2014. None of these is expected to have a significant effect on the financial statements.

The Company anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information of new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below.

Reference	Title	Application date of standard	Application date for the Company
AASB 9	Financial Instruments	1 January 2017	1 July 2017
AASB 14	Regulatory Deferral Accounts	1 January 2016	1 July 2016
AASB 2012-3	Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities	1 January 2014	1 July 2014
AASB 2013-3	Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014	1 July 2014
AASB 2013-4	Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014	1 July 2014
AASB 2013-5	Amendments to Australian Accounting Standards - Investment Entities	1 January 2014	1 July 2014

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(b) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Aus Tin Mining Limited and its subsidiaries as at and for the period ended 30 June each year (the “Group”). As a result of the merger with Taronga Mines Ltd (as discussed in Note 1(c) and Note 27), this financial report represents the continuation of the financial statements of Taronga Mines Ltd being the accounting parent entity of the Group.

Subsidiaries

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Aus Tin Mining Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues by the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or discount on acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(c) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Acquisition of Taronga Mines Limited and its controlled entities

During the prior year, Taronga Mines Limited's original shareholders obtained a majority share interest in Aus Tin Mining Limited after the merger transaction. This transaction did not meet the definition of a business combination in Australian Accounting Standard AASB 3 *Business Combinations*. The transaction has therefore been accounted for in the consolidated financial statements in accordance with Australian Accounting Standard AASB 2 *Share-based Payment* and has been accounted for as a continuation of the financial statements of Taronga Mines Limited together with a deemed issue of shares, equivalent to the shares held by the former shareholders of Aus Tin Mining Limited. The deemed issue of shares is, in effect, a share-based payment transaction whereby Taronga Mines Limited is deemed to have received the net assets of Aus Tin Mining Limited, together with the listing status of Aus Tin Mining Limited. The overall accounting effect is very similar to that of a reverse acquisition in AASB 3.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(c) Business combinations (continued)

Because the consolidated financial statements represent a continuation of the financial statements of Taronga Mines Limited, the principles and guidance on the preparation and presentation of the consolidated financial statements in a reverse acquisition set out in AASB3 have been applied:

- fair value adjustments arising at acquisition were made to Aus Tin Mining Limited assets and liabilities, not those of Taronga Mines Limited;
- the cost of the acquisition, and amount recognised as issued capital to affect the transaction, is based on the notional amount of shares that Taronga Mines Limited would have needed to issue Aus Tin Mining Limited shareholders for them to hold the same shareholding percentage in Taronga Mines Limited as they have in the group post the actual transaction;
- retained earnings and other equity balances in the consolidated financial statements at acquisition date are those of Taronga Mines Limited;
- a shared-based payment transaction arises whereby Taronga Mines Limited is deemed to have issued shares in exchange for the net assets of Aus Tin Mining Limited (together with the listing status of Aus Tin Mining Limited). The listing status does not qualify for recognition as an intangible asset and has therefore been expensed in profit or loss as a listing expense;
- the equity structure in the consolidated financial statements (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of Aus Tin Mining Limited, including the equity instruments issued to effect the acquisition;
- the results for the year comprise the consolidated results for the year of Taronga Mines Limited together with the results of Aus Tin Mining Limited from 27 December 2012; and
- the comparatives represent the consolidated comparatives of Taronga Mines Limited only.

(d) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This may include start-up operations which are yet to earn revenues.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(e) Cash and Cash Equivalents

For the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(f) Trade and other receivables

Receivables, generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor or debts more than 90 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(g) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Group becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

- (i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.
- (ii) Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognized where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(h) Property, Plant & Equipment

Property, plant & equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant & equipment constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation

The depreciable amount of all property, plant & equipment is depreciated over their useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

<i>Class of Property, plant & equipment</i>	<i>Depreciation</i>
Leased Motor Vehicles	20% Straight line
Office Equipment	20% - 33.3% Straight line

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(h) Property, Plant & Equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(i) Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review has been undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

A provision is raised against exploration and evaluation expenditure where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Costs of site restoration are provided over the life of the area from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structure, waste removal, and rehabilitation of the site in accordance with clauses of mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that restoration will be completed within one year of abandoning the site. As the Group is in early stage exploration and site disturbance is minimal, no provision has been recorded.

(j) Impairment of Assets

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(k) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30-60 days of recognition.

(l) Provisions and Employee Benefits

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wages and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(m) Leases

Leases of property, plant & equipment where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(m) Leases (continued)

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(n) Share Capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

(o) Share-Based Payments

The Group may provide benefits to Directors, employees or consultants in the form of share-based payment transactions, whereby services may be undertaken in exchange for shares or options over shares ("equity-settled transactions").

The fair value of shares and options granted to Directors, employees and consultants is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the recipients become unconditionally entitled to the instruments. For options, fair value is determined using a Black-Scholes option pricing model.

Where the terms of equity instruments granted are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where equity instruments granted are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to the profit or loss. If new instruments are substituted for the cancelled instruments and designated as a replacement, the combined impact of the cancellation and replacement instruments are treated as if they were a modification.

(p) Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Interest revenue is recognized as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(q) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The charge for current income tax expense is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or liability is settled based on tax rates (and laws) that have been enacted or substantially enacted by the reporting date.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences and unused tax losses can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Current and deferred tax is recognised in profit or loss, except to the extent it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Following the merger transaction Aus Tin Mining Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Aus Tin Mining Ltd is responsible for recognising the current tax assets and liabilities and deferred tax assets attributable to tax losses for the tax consolidation group. The tax consolidated group have entered a tax funding agreement whereby each company in the tax consolidation group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidation group.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(r) GST

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(s) Earnings per Share

Basic earnings per share is calculated as net profit (loss) attributable to owners of the Company, adjusted to exclude any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the year, adjusted for any bonus element.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(t) Comparatives

When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(u) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(v) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates - impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Where applicable, value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgements - exploration & evaluation assets

The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to balance date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2014, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 "Exploration for and Evaluation of Mineral Resources".

Exploration and evaluation assets at 30 June 2014 were \$9,302,765 (2013: \$8,779,186).

	2014 \$	2013 \$
Note 2. Revenue and other income		
- Interest	1,057	7,138
- Other	7,418	24,453
Total Revenue	8,475	31,591
 (a) Interest revenue from:		
- Deposits held with financial institutions	1,057	7,138
Total Interest Revenue	1,057	7,138
 (b) Other income		
- Gain on sale of property, plant & equipment	5,383	-
- Research and development concession from ATO	-	24,453
- Refund of rent on surrendered tenements	2,035	
Total other income	7,418	24,453

Note 3. Profit / (Loss)

Included in the profit / (loss) are the following specific expenses:

Depreciation

- Office equipment	1,073	1,184
- Leased motor vehicles	629	3,672
Defined contribution superannuation expense	360	206

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

	2014 \$	2013 \$
Note 4. Income Tax		
Components of tax expense / (benefit) comprise:		
Current tax	-	-
Deferred tax	(460,550)	503,375
	(460,550)	503,375
Components of tax recognised directly in equity comprise:		
Deferred tax	(42,825)	-
	(42,825)	-
The prima facie tax on profit / (loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit / (loss) before income tax at 30% (2013: 30%)	(330,507)	(395,489)
Add tax effect of:		
Deferred tax assets not recognised	-	-
Formation of tax consolidated group	-	834,395
Other items	-	64,469
Share based payments	7,582	-
	(322,925)	503,375
Less tax effect of:		
Recognition of tax losses brought forward	(137,625)	-
Income tax expense/(benefit)	(460,550)	503,375
Recognised deferred tax assets		
Unused tax losses	2,652,305	1,994,142
Deductible temporary differences	37,956	138,531
Capital raising costs in equity	100,569	-
Potential benefit at 30% (2013: 30%)	2,790,830	2,132,673
Recognised deferred tax liabilities		
Exploration and evaluation assets	(2,790,830)	(2,636,048)
Potential benefit at 30% (2013: 30%)	(2,790,830)	(2,636,048)
Net deferred tax recognised	-	(503,375)
Unrecognised deferred tax assets		
Unrecognised tax losses	5,353,789	-
Unrecognised deferred tax assets	1,606,137	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 4. Income Tax (continued)

Tax consolidation legislation

Aus Tin Mining Ltd and its wholly-owned controlled entities have implemented the tax consolidation legislation in the current year.

The head entity, Aus Tin Mining Ltd, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Aus Tin Mining Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

However, upon consolidation, the carried forward losses of prior years belonging to the subsidiary entities were cancelled, resulting in a need to derecognise tax losses of the head company of the group which are of no value to the consolidated group.

Note 5. Key Management Personnel

Key Management Personnel Compensation

The total remuneration of Key Management Personnel for the year was as follows:

	2014 \$	2013 \$
Short term employee benefits	597,607	349,747
Post-employment benefits	-	-
Share based payments	25,272	147,226
Total	622,879	496,973

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Key Management Personnel.

Note 6. Dividends and Franking Credits

There were no dividends paid or recommended during the year or since the end of the year (2013: none). There are no franking credits available to shareholders of the Company (2013: none).

	2014 \$	2013 \$
Note 7. Auditors Remuneration		
BDO Audit Pty Ltd:		
Audit and review of the financial reports	49,520	38,029
Corporate finance advice	-	70,664
Taxation services	-	4,350
	49,520	113,043

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 8. Earnings Per Share (EPS)

(a) Earnings

	2014 \$	2013 \$
Earnings used to calculate basic and diluted EPS	(641,140)	(1,821,672)

(b) Weighted average number of shares and options

Weighted average number of ordinary shares outstanding during the year, used in calculating basic earnings per share

Weighted average number of dilutive options outstanding during the year

Weighted average number of ordinary shares and potential ordinary shares outstanding during the year, used in calculating diluted earnings per share

Number of Shares	Number of Shares
592,607,723	363,402,421
-	-
592,607,723	363,402,421

Weighted average number of ordinary shares outstanding during the prior period has been calculated using:

- the number of ordinary shares outstanding from the beginning of the current period to the acquisition date computed on the basis of the weighted average number of ordinary shares of Taronga Mines Limited (accounting acquirer) outstanding during the period multiplied by the exchange ratio of 1 Taronga Mines Limited share to 5 Aus Tin Mining Limited shares; and
- the number of ordinary shares outstanding from the acquisition date to the end of that period being the actual number of ordinary shares of Aus Tin Mining Limited (the accounting acquiree) outstanding during that period.

Options are not considered dilutive as they are currently out of the money. Options may become dilutive in the future.

Note 9. Cash and Cash Equivalents

Cash at bank

2014 \$	2013 \$
27,375	92,060
27,375	92,060

Note 10. Trade and Other Receivables

GST refundable

Trade and other receivables

34,591	57,607
6,350	31,941
40,941	89,548

Receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. No impairment loss has been recorded for the current and previous financial year.

Due to the short term nature of these receivables, their carrying value is assumed to approximate fair value. The maximum exposure to credit risk is the carrying value of receivables. Collateral is not held as security.

The receivables are not exposed to foreign exchange risk. No receivables were past due or impaired at 30 June 2014 (2013: nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 11. Other Current Assets

Prepayments

2014 \$	2013 \$
47,500	28,190
47,500	28,190

Note 12. Other Financial Assets

Security deposits

129,187	185,187
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Note 13 Controlled Entities

Controlled Entities	Country of Incorporation	Principle Activity	Principle Place of Business	Percentage owned	
				2014	2013
Parent entity:					
Aus Tin Mining Ltd	Australia	Mineral Exploration	Australia		
Subsidiaries of Aus Tin Mining Ltd:					
New England Tin Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
Taronga Mines Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
Tenstar Mining Pty Ltd	Austalia	Mineral Exploration	Australia	100%	100%

Note 14. Property, Plant and Equipment

Leased Motor vehicles - at cost

Accumulated depreciation

Written down value

-	21,646
-	(3,672)
-	17,974

Office equipment - at cost

Accumulated depreciation

Written down value

2,916	2,916
(2,483)	(1,410)
433	1,506

Total written down value

433	19,480
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Reconciliation of carrying amounts at the beginning and end of the year

	Leased Motor Vehicles \$	Office Equipment \$	Total \$
Year ended 30 June 2014			
At 1 July 2013 net of accumulated depreciation	17,974	1,506	19,480
Additions	-	-	-
Disposals	(17,345)	-	(17,345)
Depreciation charge for the year	(629)	(1,073)	(1,702)
At 30 June 2014 net of accumulated depreciation	-	433	433
Year ended 30 June 2013			
At 1 July 2012 net of accumulated depreciation	-	2,030	2,030
Additions	-	-	-
Additions - asset acquisition	21,646	660	22,306
Disposals	-	-	-
Depreciation charge for the year	(3,672)	(1,184)	(4,856)
At 30 June 2013 net of accumulated depreciation	17,974	1,506	19,480

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

	2014 \$	2013 \$
Note 15. Exploration and Evaluation Assets		
Exploration and evaluation assets	9,302,764	8,779,186
<i>Movements in carrying amounts</i>		
Balance at the beginning of the year	8,779,186	4,887,799
Additions - asset acquisition	-	3,600,000
Expenditure during the year	523,578	306,871
Written-off during the year	-	(15,484)
Balance at the end of the year	9,302,764	8,779,186

The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

	2014 \$	2013 \$
Note 16. Trade and Other Payables		
Trade creditors	679,314	478,607
Accrued expenses	300,857	136,033
Employee benefits	233	31
Other payables	428	461
	980,832	615,132

Trade and other payables are non-interest bearing and are generally on 30-60 day terms.

Due to the short term nature of these payables, their carrying value is assumed to approximate fair value.

Note 17. Other Financial Liabilities

Current

Lease liability - secured	-	7,778
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Non-current

Lease liability - secured	-	12,472
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Lease liabilities are secured over the leased motor vehicles disclosed in Note 13.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 18. Issued Capital

(a) Issued and paid up capital

671,134,834 (2013: 436,825,528) ordinary shares fully paid
Share issue costs

2014 \$	2013 \$
12,375,489	10,995,588
(198,364)	(73,848)
12,177,125	10,921,740

Ordinary shares participate in dividends and the proceeds on winding up the Company in proportion to the number of shares held. At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on show of hands.

(b) Reconciliation of issued and paid-up capital

At 1 July 2012

Reversal of existing Taronga Mines Limited shares on issue
Existing Aus Tin Mining Ltd shares on issue
Issue of shares on acquisition of Taronga Mines Limited (refer note 27)

Shares issued for in settlement for amounts owed (1)

At 30 June 2013

Issue of shares for cash (2)

Shares issued for in settlement for amounts owed (3)

Shares issued on conversion of performance shares (4)

Shares issued for cash and in settlement for amounts owed (5)

Shares issued on conversion of performance shares (6)

At 30 June 2014

Number of Shares	\$
57,680,002	6,452,875
(57,680,002)	(6,452,875)
144,994,142	6,452,875
288,400,010	4,410,532
3,431,376	58,333
436,825,528	10,921,740
169,762,459	732,143
4,967,738	24,839
2,973,200	50,545
50,659,514	346,769
5,946,395	101,089
671,134,834	12,177,125

- (1) On 11 February 2013, 3,431,376 \$0.017 ordinary shares were issued in settlement of amounts owing.
- (2) On 12 September 2013, 169,762,459 \$0.005 ordinary shares were issued in a private placement and non-renounceable entitlement offer, net of share issue costs of \$116,669.
- (3) On 25 November 2013, 4,967,738 \$0.005 ordinary shares were issued in settlement for amounts owing.
- (4) On 16 January 2014, 2,973,200 \$0.017 ordinary shares were issued upon the performance shares converting to fully paid ordinary shares.
- (5) On 19 March 2014, 50,659,514 \$0.007 ordinary shares were issued in a private placement and settlement for amounts owing, net of share issue costs of \$7,847.
- (6) On 4 April 2014, 5,946,395 \$0.017 ordinary shares were issued upon the performance shares converting to fully paid ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 18. Issued Capital (continued)

(c) Options

As at 30 June 2014, there were 77,731,115 unissued ordinary shares of Aus Tin Mining Ltd under option, held as follows:

- 35,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Taronga Directors in replacement of existing Taronga options) at an exercise price of 4 cents. The options vested immediately on grant and expire 30 June 2015.
- 3,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Taronga service providers in replacement of existing Taronga options) at an exercise price of 4 cents. The options vested immediately on grant and expire 30 June 2015.
- 27,500,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Aurelia Metals Ltd in replacement of existing Taronga options) at an exercise price of 4 cents. The options vested immediately on grant and expire 30 June 2015.
- 12,231,115 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to underwriter in connection with the non-renounceable rights issue) at an exercise price of 2.5 cents. The options vested immediately on grant and expire 25 November 2015.

(d) Performance Shares

During the year ended 30 June 2014, 8,919,595 Performance Shares of Aus Tin Mining Ltd issued to the Chief Executive Officer of the Company were converted to ordinary shares. These performance shares converted into one ordinary share each in Aus Tin Mining Ltd, upon satisfaction of the performance milestones. The performance shares vested subject to the performance milestones being met (refer note 18).

(e) Capital Risk Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure to ensure the lowest costs of capital available to the Company.

The Group's capital comprises equity as shown in the statement of financial position. The Group is not exposed to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 19. Share-based Payments

(a) Expense

The expense recognised for share based payments received during the year is shown in the table below:

	2014 \$	2013 \$
Expense arising from equity settled share-based payment transactions	25,272	194,696

Under the terms of the merger with Taronga, all existing Taronga options were converted to Aus Tin Mining options at a ratio of five Aus Tin Mining options for every one Taronga option held. As a result 65,500,000 new Aus Tin Mining options were granted on 16 January 2013. The options are to take up one ordinary share in Aus Tin Mining at a price of 4 cents each. The options vested immediately and expire 30 June 2015. As a result of this modification an additional share based payment expense of \$68,335 was recognised in the prior year. The following table lists the inputs to the model used for the modification of the options:

	Pre Modification	Post Modification
Employee share options		
Weighted average exercise price	\$0.20	\$0.04
Weighted average life of the option	1.51 - 2.51 years	2.51 years
Underlying share price	\$0.085	\$0.017
Expected share price volatility	100%	100%
Expected dividends	-	-
Risk free interest rate	2.71%	2.71%
Number of options issued	13,100,000	65,500,000
Value (Black-Scholes) per option	\$0.0215 - \$0.0339	\$0.0068
Total value of options issued	\$375,681	\$444,016

There have been no other cancellations or modifications to any of the share based payments during 2014 and 2013.

(b) Other Share-based payments

On 1 November 2012, Aus Tin Mining Limited ("Aus Tin") announced a merger transaction with Taronga Mines Limited ("Taronga") to acquire 100% of the issued capital through an off-market takeover offer. Under the terms of the merger with Taronga, each Taronga shareholder was offered 5 Aus Tin Mining Ltd shares for each 1 Taronga share resulting in Taronga shareholders becoming the controlling shareholders of Aus Tin Mining Ltd. Consequently, this transaction was accounted for as discussed in note 1. As a result 288,400,010 Aus Tin Mining Ltd shares were issued to Taronga shareholders (refer note 27).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 19. Share-based Payments (continued)

(c) Types of share-based payment plans

Employee share option plan (ESOP)

Share options are granted to employees. The employee share option plan is designed to align participants' interests with those of shareholders by increasing the value of the Company's shares.

When a participant ceases employment after the vesting of their share options, the share options are forfeited after 90 days unless cessation of employment is due to termination for cause, whereupon they are forfeited immediately or death. The Company prohibits KMP from entering into arrangements to protect the value of unvested ESOP awards.

The contractual life of each option granted is generally three (3) years. There are no cash settlement alternatives.

Each option can be exercised from vesting date to expiry date for one share with the exercise price payable in cash.

Performance Shares

The Company has established a Performance Share Plan, being a long term incentive scheme aimed at creating a stronger link between an eligible recipient's performance and reward whilst increasing Shareholder value in the Company.

The performance milestones applying to the 8,919,595 performance shares on issue at 30 June 2013 are as follows:

- (a) 2,973,200 performance shares vesting on completion of 12 months service with the Company; and
- (b) 5,946,395 performance shares vesting on the finalisation of a pre-feasibility study with respect of the Taronga Tin Project.

Both milestones were met during the year ended 30 June 2014 and therefore both tranches of the performance shares were converted to ordinary shares during the year. There were no new performance shares issued during the year ended 30 June 2014.

(d) Summaries of options granted

The following table illustrates the number (no.) and weighted average exercise prices (WAEP) of, and movements in, share based payment share options granted during the year:

	2014 No.	2014 WAEP	2013 No.	2013 WAEP
Outstanding at the beginning of the year	67,500,000	\$0.05	13,100,000	\$0.20
Granted during the year	-	-	-	-
Conversion to Aus Tin Mining Ltd Options ¹	-	-	52,400,000	\$0.04
Existing Aus Tin Mining Ltd options on merger ²	-	-	2,000,000	\$0.30
Forfeited during the year	(2,000,000)	\$0.30	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	65,500,000	\$0.04	67,500,000	\$0.05
Exercisable at the end of the year	65,500,000	\$0.04	67,500,000	\$0.05

The options outstanding at 30 June 2014 have a remaining contractual life of 0.95 years (2013: 1.95 years) and exercise prices ranging from \$0.04 (2013: \$0.04 - \$0.30).

¹Under terms of the merger with Taronga, all existing Taronga options were converted to Aus Tin Mining Ltd options at a ratio of five new Aus Tin Mining Ltd options for every one Taronga option held. As a result 65,500,000 Aus Tin Mining Ltd options were issued on 16 January 2013. The options are to take up one ordinary share in Aus Tin Mining Ltd at a price of 4 cents each. The options vested immediately and expire on 30 June 2015.

²Existing Aus Tin Mining Ltd options at the time of the merger have been recognised, which consisted of 2,000,000 options that were granted 5 December 2008. The options are to take up one ordinary share in Aus Tin Mining Ltd at a price of 30 cents each. The options vested immediately on grant and expire 19 November 2013.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 19. Share-based Payments (continued)

(e) Summary of performance shares granted

The following table illustrates the number (no.) of, and movements in, performance shares granted during the year:

	2014 No.	2013 No.
Outstanding at the beginning of the year	8,919,595	-
Granted during the year	-	8,919,595
Forfeited during the year	-	-
Converted to ordinary shares during the year	(8,919,595)	-
Expired during the year	-	-
Outstanding at the end of the year	-	8,919,595

(f) Option pricing model

The fair value of the equity settled share options granted is estimated using a Black-Scholes options pricing model taking into account the terms and conditions upon which the instruments were granted.

There were no employee options issued during years ended 30 June 2014 and 2013.

(g) Performance share pricing model

Historical volatility of the Company was the basis of determining expected share price volatility, as it was assumed that this is indicative of future movements. The life of the performance shares are based on its term to expiry.

	2014	2013
Performance Shares		
Weighted average exercise price	-	\$0.00
Weighted average life of shares	-	3 years
Underlying share price	-	\$0.017
Expected share price volatility	-	100%
Expected dividends	-	-
Risk free interest rate	-	2.71%
Number of performance shares issued	-	8,919,595
Value per performance share	-	\$0.017
Total value of performance shares issued	-	\$151,633

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 20. Accumulated Losses

Accumulated losses at the beginning of the year
 Losses after income tax expense
 Accumulated losses

2014 \$	2013 \$
(3,975,142)	(2,153,470)
(641,140)	(1,821,672)
(4,616,282)	(3,975,142)

Note 21. Cash Flow Reconciliation

Loss after income tax
 Non-cash items
 - Gain on sale of motor vehicle
 - Listing expense
 - Write-back of exploration expenditure written off
 - Share based payments
 - Depreciation
 Changes in operating assets and liabilities*
 (Increase) decrease in trade and other receivables
 (Increase) decrease in prepayments
 Increase (decrease) in trade and other payables
 Increase (decrease) in deferred tax liabilities
 Net cash flows from operating activities

2014 \$	2013 \$
(641,140)	(1,821,672)
(5,383)	-
-	250,000
-	15,484
25,272	194,696
1,702	4,856
48,607	(33,003)
28,191	(28,191)
326,254	206,156
(460,550)	503,375
(677,047)	(708,299)

* Net of amounts relating to exploration and evaluation assets.

Non-cash investing & financing activities

Shares issued to settle liabilities
 Shares issued for asset acquisition (note 27)
 Share based payments in equity
 Deferred tax recognised in equity

12,277	58,333
-	4,410,532
24,590	-
42,825	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

	2014 \$	2013 \$
Note 22. Information relating to Aus Tin Mining Ltd ("the parent entity")		
Current assets	110,078	146,346
Total assets	5,998,421	5,580,548
Current liabilities	980,416	572,159
Total liabilities	980,416	1,088,006
Net assets	5,018,005	4,492,542
Issued Capital	8,529,269	7,273,885
Share based payments reserve	2,436,645	2,538,416
Accumulated losses	(5,947,909)	(5,319,759)
Total Shareholders' equity	5,018,005	4,492,542

The parent does not have any guarantees in relation to the debts of its subsidiaries, contingent liabilities or contractual obligations to purchase property, plant and equipment at 30 June 2014 (2013: Nil)

Note 23. Related Party Disclosures

(a) Subsidiaries

The consolidated financial statements include the financial statements of Aus Tin Mining Ltd, Taronga Mines Pty Ltd, New England Tin Pty Ltd and Tenstar Mining Pty Ltd which are all incorporated in Australia.

(b) Ultimate parent

Aus Tin Mining Ltd is the ultimate legal parent, which is incorporated in Australia.

(c) Key management personnel

Details relating to key management personnel, including remuneration paid are included in note 5 and the audited remuneration report included within the Directors report.

(d) Transactions with related parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

Related party		Sales to related parties	Purchases from related parties	Other transactions with related parties
DGR Global Ltd (i)	2014	-	192,000	-
	2013	-	136,475	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 23. Related Party Disclosures (continued)

(d) Transactions with related parties (continued)

(i) The Group has a commercial arrangement with DGR Global Ltd for the provision of various services, whereby DGR Global provides resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and certain stationery, together with general telephone, reception and other office facilities ("Services"). In consideration for the provision of the Services, the Group pays DGR Global a monthly management fee. For the year ended 30 June 2014 \$192,000 was paid or payable to DGR Global (2013: \$136,475) for the provision of the Services. The total current amount payable at year end was \$146,164 (2013: \$75,066).

The outstanding balances at each relevant year end are unsecured, interest free and settlement occurs in cash.

(e) Loans from related parties

No such loans existed during the current financial year (2013: Nil).

Note 24. Capital and Leasing Commitments

(a) Future Exploration Commitments

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group. The commitments are as follows:

	2014 \$	2013 \$
Less than 12 months	2,281,000	921,999
Between 12 months and 5 years	3,642,500	332,000
	5,923,500	1,253,999

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Group has the option to negotiate new terms or relinquish the tenements. The Group also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

(b) Lease Expenditure Commitments

	2014 \$	2013 \$
Finance leases:		
- Not later than one year	-	9,497
- Later than one year and not later than 5 years	-	13,454
- Later than 5 years	-	-
Total minimum finance lease payments	-	22,951
- Future finance charges	-	(2,701)
- Lease liability	-	20,250
Lease liability		
- Current liability	-	7,778
- Non-current liability	-	12,472
	-	20,250

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 24. Capital and Leasing Commitments (continued)

(c) Capital Commitments

	2014 \$	2013 \$
Capital Commitments:		
- Not later than one year	142,500	-
- Later than one year and not later than 5 years	1,100,000	-
- Later than 5 years	-	-
Total minimum capital commitments:	1,242,500	-

The capital commitments relate to options to purchase the properties located at Lot 2 Schroders Road and 560 Grampians Road, Emmaville, New South Wales.

Note 25. Financial Risk Management

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

The Group's financial instruments consist mainly of deposits with banks, receivables and payables.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group and at balance date.

The Group's cash at bank is wholly held with Macquarie Bank Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 25. Financial Risk Management (continued)

(c) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions.

Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group did not have any financing facilities available at balance date.

	< 6 months	6-12 months	1-5 years	> 5 years	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2014					
<i>(i) Liquid financial assets</i>					
Cash and cash equivalents	27,375	-	-	-	27,375
Trade and other receivables	40,941	-	-	-	40,941
Other financial assets	-	-	129,187	-	129,187
Total financial assets	68,316	-	129,187	-	197,503
<i>(ii) Liquid financial liabilities</i>					
Trade and other payables	(894,433)	-	-	-	(894,433)
Total financial liabilities	(894,433)	-	-	-	(894,433)
Net inflow (outflow)	(826,117)	-	129,187	-	(696,930)
Year ended 30 June 2013					
<i>(i) Liquid financial assets</i>					
Cash and cash equivalents	92,060	-	-	-	92,060
Trade and other receivables	89,548	-	-	-	89,548
Other financial assets	-	-	185,187	-	185,187
Total financial assets	181,608	-	185,187	-	366,795
<i>(ii) Liquid financial liabilities</i>					
Trade and other payables	(478,607)	-	-	-	(478,607)
Other financial liabilities	(3,889)	(3,889)	(12,472)	-	(20,250)
Total financial liabilities	(482,496)	(3,889)	(12,472)	-	(498,857)
Net inflow (outflow)	(300,888)	(3,889)	172,715	-	(132,062)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 25. Financial Risk Management (continued)

(d) Market Risk

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group does not have any material exposure to market risk other than interest rate risk.

Interest rate risk

Interest rate risk arises principally from cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return.

For further details on interest rate risk refer to the tables below:

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total carrying amount	Weighted average effective interest rate 2014 %
	2014 \$	2014 \$	2014 \$	2014 \$	
(i) Financial assets					
Cash and cash equivalents	27,375	-	-	27,375	0.01%
Trade and other receivables	-	-	40,941	40,941	N/A
Other financial assets	-	-	129,187	129,187	N/A
Total financial assets	27,375	-	170,128	197,503	
(ii) Financial liabilities					
Trade and other payables	-	-	980,832	980,832	N/A
Other financial liabilities	-	-	-	-	N/A
Total financial liabilities	-	-	980,832	980,832	

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total carrying amount	Weighted average effective interest rate 2013 %
	2013 \$	2013 \$	2013 \$	2013 \$	
(i) Financial assets					
Cash and cash equivalents	92,060	-	-	92,060	1.50%
Trade and other receivables	-	-	89,548	89,548	N/A
Other financial assets	-	-	185,187	185,187	N/A
Total financial assets	92,060	-	274,735	366,795	
(ii) Financial liabilities					
Trade and other payables	-	-	478,607	478,607	N/A
Other financial liabilities	-	20,250	-	20,250	10.26%
Total financial liabilities	-	20,250	478,607	498,857	

Due to the short term nature of the above assets and liabilities, their carrying values are assumed to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 26. Operating Segments

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group does not yet have any products or services from which it derives an income.

Accordingly, management currently identifies the Group as having only one reportable segment, being exploration for Nickel, Gold, Copper and Tin. The financial results from this segment are equivalent to the financial statements of the Group. There have been no changes in the operating segments during the year.

All assets are located in Australia.

Note 27. Contingent Assets and Liabilities

There are no contingent assets and liabilities at 30 June 2014 (2013: none).

Note 28. Acquisition Accounting

On 1 November 2012, Aus Tin Mining Ltd announced a merger transaction with Taronga Mines Limited ("Taronga") to acquire 100% of the issued capital through an off-market takeover offer. Under the takeover offer, each Taronga shareholder was offered 5 Aus Tin Mining Ltd shares for each 1 Taronga share resulting in Taronga shareholders becoming the controlling shareholders of Aus Tin Mining Ltd. Consequently, this transaction was accounted for as discussed in note 1.

The value of the transaction is as follows:

	\$
Assets and liabilities acquired:	
Cash and cash equivalents	744,017
Trade and other receivables	4,057
Other current assets	11,475
Other financial assets	140,279
Property, plant and equipment	22,306
Exploration and evaluation assets	3,600,000
Trade and other payables	(337,752)
Other financial liabilities	(23,850)
Net assets acquired	4,160,532
Fair value of notional shares that Taronga Mines Limited issued to affect the transaction	4,410,532
Listing expense recognised in statement of comprehensive income	250,000

The fair value of the shares was assessed on the basis of the fair value of the net assets acquired and Aus Tin Mining Ltd's listing status.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2014

Note 29. Subsequent Events

Subsequent to the end of the year, the Group issued 135,921,750 ordinary shares at \$0.004 per share, raising \$543,687 as a result of successful completion of a private placement.

On 10 September 2014, the Company announced a Non-Renounceable rights issue to eligible shareholders to raise up to \$1,614,000, which is expected to be completed after the date of this report. This transaction will also include a conversion of debt to equity in relation to monies owed to certain related parties and certain directors.

The Directors are not aware of any other significant changes in the state of affairs of the Company after the balance date that is not covered in this report.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Aus Tin Mining Ltd, I state that:

1. In the opinion of the Directors:
 - (a) The financial statements and notes of AusNiCo Ltd for the financial year ended 30 June 2014 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of its financial position as at 30 June 2014 and its performance for the year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
 - (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and
 - (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable as discussed in Note 1.
 - (d) The remuneration disclosures contained in the Remuneration Report comply with s300A of the *Corporations Act 2001*.
2. The Directors have been given the declarations required to be made by the Chief Executive Officer and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2014.

On behalf of the board



Brian Moller
Non-Executive Chairman

Brisbane
Date: 23 September 2014

INDEPENDENT AUDITOR'S REPORT

To the members of Aus Tin Mining Limited

Report on the Financial Report

We have audited the accompanying financial report of Aus Tin Mining Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aus Tin Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Aus Tin Mining Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 20 to 29 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Aus Tin Mining Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd

BDO



Timothy Kendall
Director



Brisbane, 23 September 2014