

AusTinMining

Aus Tin Mining Ltd
ABN 84 122 957 322

Annual financial report
for the year ended 30 June 2016



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Corporate information

Directors	Brian Moller <i>Non-Executive Chairman</i> Nicholas Mather <i>Executive Director</i> John Bovard <i>Non-Executive Director</i> Richard Willson <i>Non-Executive Director</i>
Secretary	Karl Schlobohm
Principal Registered office in Australia	Level 27, One One One 111 Eagle Street Brisbane QLD 4000 +61 7 3303 0611
Auditor	BDO Audit Pty Ltd Level 10 12 Creek Street Brisbane QLD 4000 +61 7 3237 5999
Solicitors	HopgoodGanim Lawyers Level 8, Waterfont Place 1 Eagle Street Brisbane QLD 4000 +61 7 3024 0000
Share register	Link Market Services Ltd Level 15 324 Queen Street Brisbane QLD 4000 1300 554 474
Stock exchange listings	Australian Securities Exchange Ltd ASX Code: ANW
Website	www.austinmining.com.au

Chairman's report

Dear Shareholders,

This year has seen Aus Tin Mining Ltd (Aus Tin Mining or the Company) realise its ambitions to become the next tin producer in Australia with the commencement of Level 1 production at its Granville Tin Project in Tasmania in August 2016. In addition, several exciting developments have taken place over the past twelve months which I shall touch on briefly, with full details outlined in the Review of Operations within this Annual Report.

The conditional acquisition of the Granville Tin Project was first announced back in August 2015, with formal agreements executed in December 2015 following a period of due diligence. Settlement occurred in April 2016, with a financial package provided by the Company's major shareholders DGR Global and Australian Mineral Investments. This enabled Aus Tin to retain a 100% interest in the project. A two year tin concentrate Off-take Agreement was also executed with Traxys at the same time. Commissioning occurred in June and July of 2016, with production commencing during August. The initial production has focussed on the existing stockpiles and easily accessible tailings to facilitate early cash-flow for reinvestment in upgrading the production capacity for Level 2 operations, for which approvals are currently being progressed.

Concurrently the Company continues to actively progress its flagship Taronga Tin Project in New South Wales. During the second half of 2015 the Company completed limited drilling and metallurgical test work program for the Taronga Stage 1 Development to deliver encouraging results. The positive grade reconciliation obtained for the drilling highlights the potential for a higher feed grade compared to that adopted for the 2014 Pre-Feasibility Study (PFS). Similarly metallurgical results from the test work for concentrate grade and tin recovery exceeded the criteria used for the PFS. Subsequent exploration work identified the potential for lithium and rubidium credits from certain ores within the Taronga Project development area. The Company is progressing various aspects of the applications and approvals required for the staged development of the Taronga Project including the development of mine plans, infrastructure plans, and engineering works, and the advancement of the requisite environmental impact statement incorporating the results of ecological, archaeological and other studies undertaken during the year.

A maiden drilling program at the McDonalds prospect was also completed during the second half of 2015. Two types of mineralisation were identified and the results for the greisen zone are particularly encouraging and present a large volume target containing high-grade zones. Diamond drilling to test a number of targets to more substantial depths will be undertaken in due course.

In July of 2016, the Company identified a new high-grade cobalt target centred on historic workings reportedly mined at 7.5%Co at the Company's Mt Cobalt tenement. The Company has interpreted the steeply dipping shear zones to extend beyond the reported depth of 25m for the historic workings and intend to drill the targets during the second half of 2016. Cobalt is re-emerging as a desired resource due to its use in lithium ion batteries.

On the back of this year's price rises, we remain confident in the outlook for the global tin price, particularly given that its demand is largely now driven by the electronics market (where tin is used as the main component of soldering) and global supply shortfalls as currently productive resources are progressively depleted or closed. Furthermore, the identification of potential credits for lithium, rubidium and the emergence of a high-grade cobalt target also places the Company favourably in the renewable energy and emerging energy storage sectors.

I would like to once again thank the Company's CEO Mr Peter Williams, my fellow Directors and the management team for their ongoing efforts in advancing the Company's projects under tight cash-management conditions. On behalf of the Board, I would like to thank shareholders for their continued patience and support during the period.

I look forward to delivering further news on the Company's continued progress towards becoming a world class tin producer.

Yours faithfully



Brian Moller
Chairman

Review of operations and activities

Aus Tin Mining's vision is to become a major Australian tin producer. During the year it advanced this vision through the acquisition of the Granville Tin Project in Tasmania whilst progressing the development of the Taronga Tin Project in New South Wales. During the year the Company also completed the maiden drilling program at the McDonalds Prospect.

Granville Tin Project (Tasmania)

On 6th August 2015 the Company announced the proposed acquisition of the Granville Tin Project located approximately 20km north of Zeehan on the west coast of Tasmania. At the time the Granville Tin Project comprised two mining leases and an open cut pit and processing plant on care & maintenance. Subsequently the Company completed due diligence and undertook remediation and refurbishment works at the plant. Re-commissioning of the plant commenced in late June 2016 (Figures 1) and has since commenced production of tin concentrate. A quantity of tailings material grading between 0.8%Sn and 3.3%Sn is currently being re-processed. The Company executed a two-year off-take agreement with global trading house, Traxys for the sale of tin concentrate from the Granville Tin Project.



Figures 1A & 1B - Commissioning the magnetic separator and sizing screen & flotation cells



Figures 1C & 1D - Commissioning the dressing table and final 55%Sn concentrate (dried)

Review of operations and activities (continued)

The Company is seeking to expand the scale of the Granville Tin Project to a Level 2 operation and resume mining at the open pit. EPA Tasmania has issued the guidelines for a Development Proposal and Environmental Management Plan (DPEMP) and the Company is currently finalising the document ready for public exhibition.

During late 2015 the Company undertook a limited drilling program at the Granville Tin Project as part of its due diligence program. The drilling results were very encouraging with intersections of up to 7m @ 2.65%Sn (refer Table 1) and provide the basis for sufficient mineral inventory to resume operations. Further drilling is planned at the open pit upon resumption of mining operations.

Hole Number	Declination	Total Depth (m)	Interval			% Sn	Comments
			from (m)	to (m)	Interval (m)		
DDHGE1	-60	40.0	2	9	7	2.22	Includes 4m @ 3.3%Sn from 2m
DDHEG2	-65	15.9	4	11	7	2.65	Includes 1m @ 4.18%Sn from 9m
DDHEG3	-90	32.5	6	8	2	1.97	

Table 1 - Significant intersections for Granville East (October 2015)

Taronga Tin Project (NSW)

During the year the Company progressed the Stage 1 Development for the Taronga Tin Project located approximately 7km north of Emmaville in northern New South Wales. The objectives of the Stage 1 Development are to:

- (i) evaluate various technical characteristics of the Taronga Tin Project, including resource reconciliation, metallurgical recovery and recovery of by-product credits;
- (ii) obtain operating and environmental baseline data for inclusion within documentation for future stages of development of the Taronga Tin Project; and
- (iii) demonstrate the economics of the Stage 1 Development and support future funding requirements for future stages of development of the Taronga Tin Project.

In October 2015 the Company completed a metallurgical test work program that generated improved results for tin concentrate grade and tin recoveries compared to the 2014 Pre-Feasibility Study. Both improved concentrate grades (64.7%Sn) and tin recoveries (75.7%) were attributed to an expanded suite of flotation test results to include the flotation of silicates. Previous metallurgical test work focussed on the flotation of sulphides only, however, recent mineralogical work identified topaz (an aluminium and fluorine silicate) as a diluent in the tin concentrate. The recovery of topaz to a separate concentrate may also provide an opportunity for an additional by-product credit and will be pursued in conjunction with the Stage 1 Development.

	ATM001 (RC)	2013 Resource Model	Reconciliation
Interval (m)	%Sn	%Sn (average)	%
0 – 10m	0.37	0.17	+115%
11 – 20m	0.18	0.21	-14%
21 – 30m	0.09	0.15	-40%
31 – 40m	0.09	0.13	-30%
Overall	0.18	0.17	+6%

Table 2: Results of ATM001 compared with 2013 Mineral Resource Block Model

Review of operations and activities (continued)

RC drill hole ATM001 (from which the metallurgical sample was obtained) demonstrated a positive reconciliation, with the composite metallurgical sample head grade of 0.26%Sn being 52 percent above the modelled resource grade of 0.17%Sn. The positive reconciliation for ATM001 highlights the potential for the plant feed grade to be higher than the resource grade, attributable to the sample size / grade variation or Support Effect (refer Table 2).

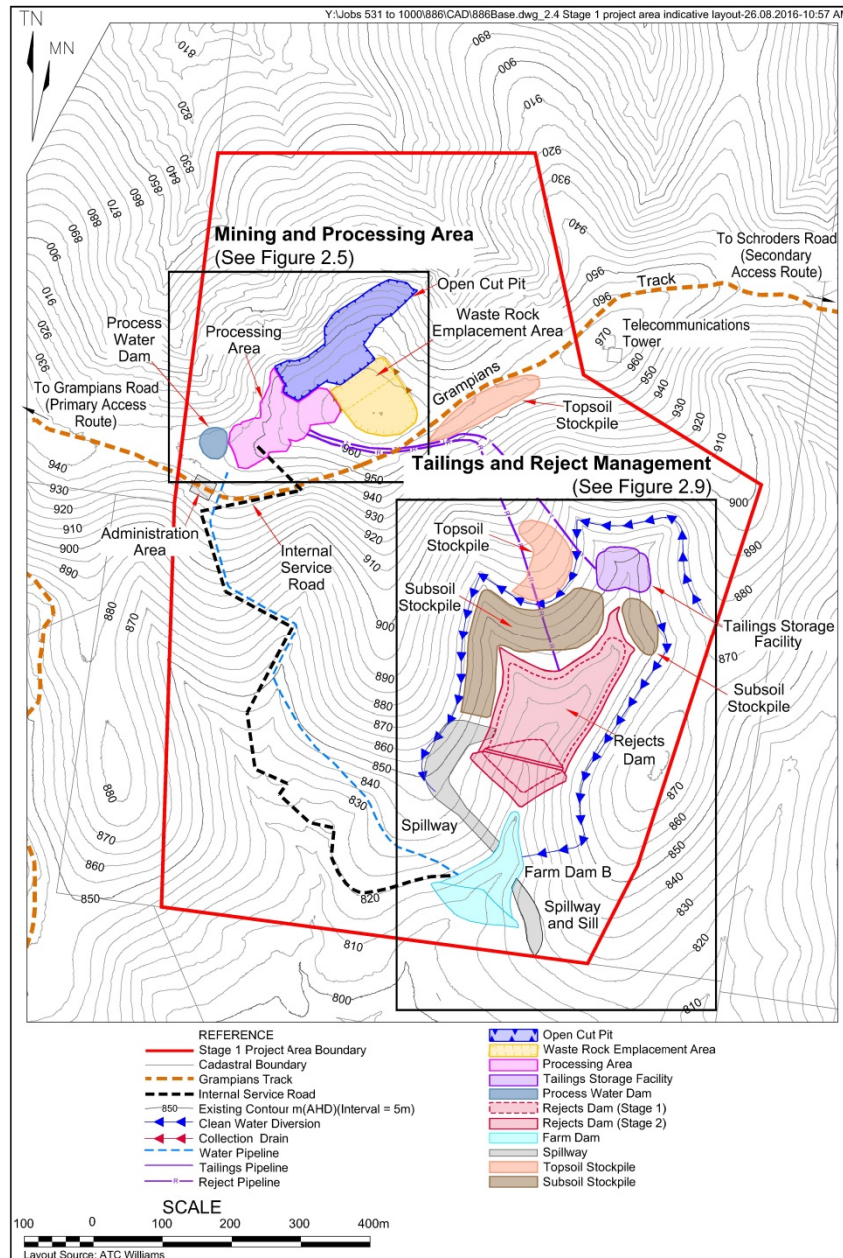


Figure 2 - Proposed Stage 1 Development at the Taronga Tin Project (NSW)

Review of operations and activities (continued)

During the year the Company also progressed the approvals process for the Stage 1 Development with receipt of Secretary's Environmental Assessment Requirements (SEARS) from the NSW Government as part of the approvals process. The Taronga Stage 1 Development has been somewhat simplified by containing the proposed Mining Lease Application within the freehold property owned by the Company (Figure 2). Consulting reports and documentation for the Environmental Impact Statement are progressing for the proposed trial mine and pilot processing plant.

Torrington (NSW)

During the year the Company completed its maiden drilling program at the McDonalds Prospect, approximately 20km north of Emmaville in New South Wales. Mineralisation at McDonalds comprises various zones of sheeted quartz veining and greisen over a strike length of approximately 2km and up to 500m wide. Previous work completed by the Company included geochemical and Induced Polarisation surveys to identify areas of coincident anomalism and priority drill targets. Eight holes were drilled with summary results provided in Table 3.

Hole Number	Total Depth (m)	Interval			XRF 5	XRF15b		Comments
		from (m)	to (m)	Interval (m)	% Sn	% Sn	% Cu	
MDRC001	61	16	17	1		0.460	< 0.005	
MDRC001A	Nil assays (XRF5) greater than 0.1%Sn							
MDRC002	67	22	27	5	0.180			Includes 2m @ 0.241%Sn from 23m; includes 1m @ 0.309%Sn from 26m
MDRC003	85	0	22	22	0.188			Includes 5m @ 0.16%Sn from surface; 5m @ 0.58%Sn from 12m; 1m @ 1.945%Sn from 14m
MDRC005	62	53	54	1	0.859			
MDRC007	Nil assays (XRF5) greater than 0.1%Sn							
MDRC009	Nil assays (XRF5) greater than 0.1%Sn							
MDRC010	Nil assays (XRF5) greater than 0.1%Sn							

Table 3 - Summary of 2015 drilling results for McDonalds Prospect

Two types of mineralisation were identified as a result of the drilling, the first being the cassiterite / sulphide-related system typical of the sheeted vein systems (similar to the Taronga Tin Project) plus a greisen style of alteration, manifest as primarily tourmaline and sometimes with chlorite. The results for the greisen zone are particularly encouraging and present a large volume target containing high-grade zones (Figure 3), whilst further work will be undertaken on zones characterised as sheeted vein systems to better understand the relationship between the density of quartz veining and the tin grade.

During the year the Company also conducted field reconnaissance at Torrington for lithium. In June 2016 the Company reported on three locations where historic mining activities coincided with the reported presence of the lithium bearing mica mineral, zinnwaldite. Zinnwaldite is reported as having been identified at three historic mines (McCowans Mica Lode, Goggitts Shaft and Heffernans Mine - refer Figure 4). Zinnwaldite is a lithium silicate mineral in the mica group and occurs in greisens, pegmatites and quartz veins, and is commonly associated with topaz, cassiterite (tin mineral), wolframite (tungsten mineral) and beryl, all of which are known in the Taronga area and to the north in the Torrington area.

Review of operations and activities (continued)

The Company also announced that it considered Taronga to be prospective for lithium based on a significant level of muscovite in the deposit, the presence of beryl and anomalous lithium results of up to 540ppm. It is thought at Taronga that zinnwaldite and possibly lepidolite may be associated with the muscovite that forms within the mica selvage beside quartz veins containing cassiterite (tin mineral). Of particular interest is a section of the Southern Zone where significant levels of beryl logged by a previous operator¹ may be an indication of pegmatite, and will be a focus for future exploration. Beryl and lithium pegmatites are well documented at a number of mining locations around the world, including both Wodgina and Greenbushes in Western Australia.

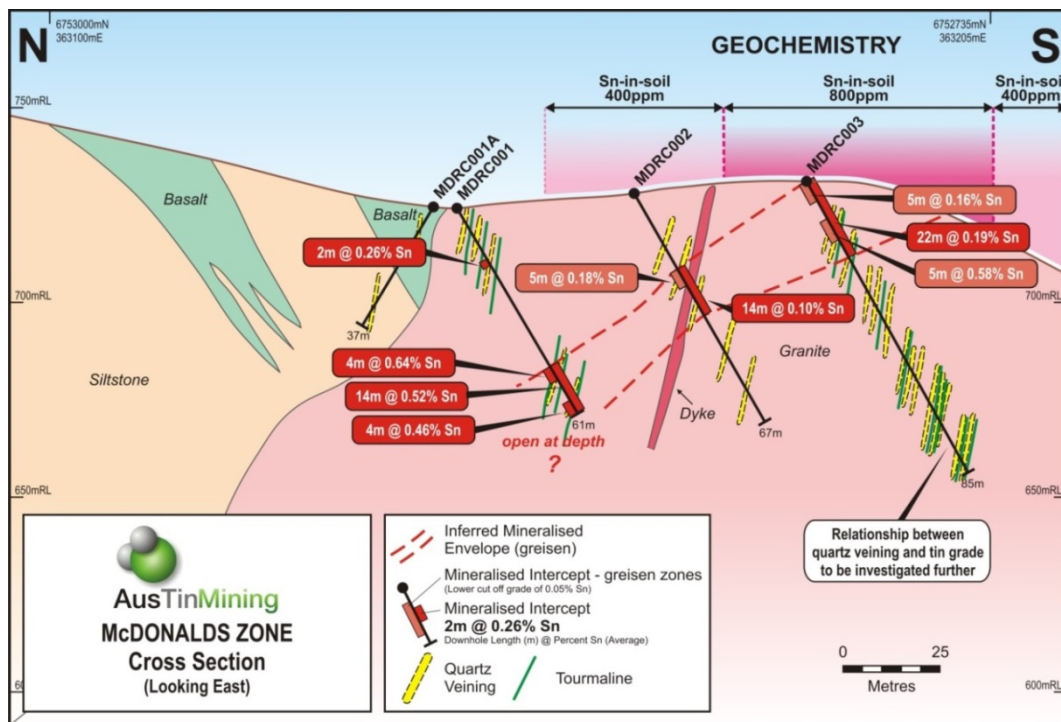


Figure 3 - Section McDonalds (illustrating results from MDRC001, MDRC002 & MDRC003)

The Company also considers that Taronga may be prospective for the specialty metal rubidium (Rb) based on anomalous rubidium results of up to 920ppm from previous drill hole results. Rubidium is also considered to be associated with the muscovite and is considered to indicate a geochemical environment in which lithium may also concentrate. The global consumption of rubidium is currently very limited but its photo-emissive properties make it ideal for motion sensor devices and photoelectric cells (solar panels). Rubidium is a high value metal with a current reported price² of US\$1,472/100gm. Rubidium is mostly recovered as a by-product from the extraction of cesium and lithium and global resources are estimated at 80,000 tonnes of which 15 percent is in Canada and 75 percent in Africa.

¹ Newmont Holdings Pty Ltd on behalf of the Newmont Joint Venture, 1977 - 1984

² Source USGS Mineral Commodities Series (2016)

Review of operations and activities (continued)

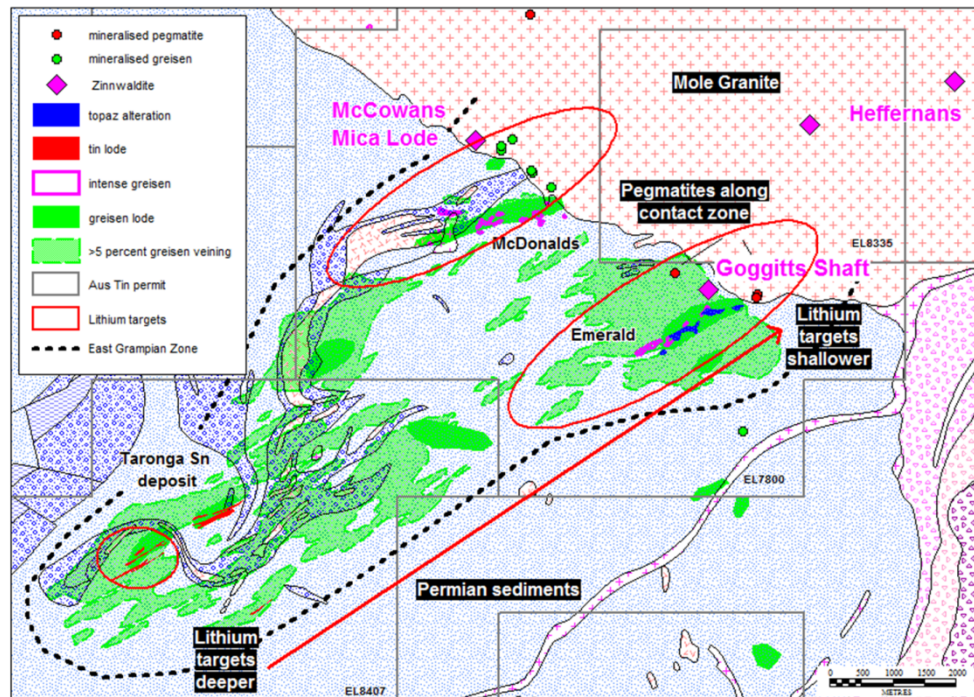


Figure 4 - Location of historic Zinnwaldite occurrences along strike from Taronga Tin Project Kildanga Project (QLD)

Subsequent to the end of the year, the Company announced high grade cobalt results and an extended target at Mt Cobalt approximately 40km west of Gympie in Queensland.

Mt Cobalt is situated within EPM 19366 (100% held by Aus Tin Mining) and was historically the centre of mining for high grade, cobalt-manganese rich mineral asbolite (asbolite is also mined in the Democratic Republic of Congo, New Caledonia and Zambia). Historical records for the Smith mine (approximately 200m south of Mt Cobalt itself) report mining a lode approximately 7m in true width to a depth of 25m with a grade of 7.5%Co, 2.5% Ni and 18%Mn³. For comparison, typical economic grades reported for cobalt deposits range from 0.1 to 0.15 percent⁴.

Previous exploration undertaken at Mt Cobalt (from 2007 to 2010) focussed on the extensive nickel mineralisation (garnieritic-saprolite) beneath the laterite on Mt Cobalt itself. Whilst secondary cobalt mineralisation is associated with garnierite (a nickel oxide which is distributed broadly at grades of approximately 0.5% nickel), little exploration has been undertaken on the primary asbolite cobalt mineralisation. Until recently, no exploration had been undertaken at the historic Smith high grade cobalt mine south of Mt Cobalt.

³ Source - Report on a Cobalt Lode at the Black Snake near Kilkivan; WH Rands; 1887

⁴ Source - Cobalt; British Geological Society; 2009

Review of operations and activities (continued)

Field reconnaissance was undertaken proximate to the historic Smith workings and beyond the southern extent of previous drilling / rock chip sampling at Mt Cobalt. Mapping of the north-south trending mineralised shear zone along strike from the historic Smith workings has generated a new overall target of approximately 800m in total length. Cobalt grades of up to 1.66%Co were obtained from rock chip samples taken within the overall target zone.

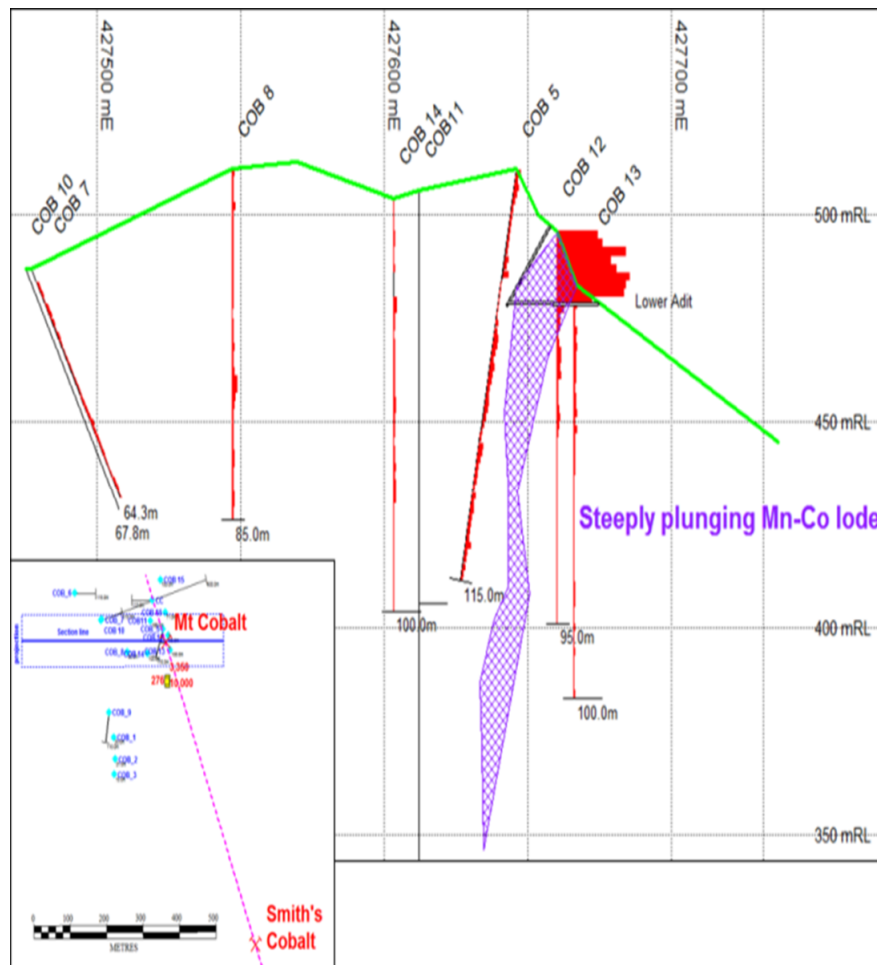


Figure 5 - Section through Mt Cobalt workings (facing north, 50m projection)

Following a second round of field reconnaissance in August 2016 the Company intends to undertake an exploration program targeting down dip extensions of historic workings at Mt Cobalt and Smith Mine and areas where the cobalt enriched master-shear zone intersects with the garnierite shear zone. The cobalt-manganese enriched asbolite is a result of the weathering of a polymetallic lode system. Based on the steeply dipping cobalt enriched master-shear zone evident from surface, the mineralised zone is interpreted to extend beyond the reported depth of 25m for the historic workings, and the Company will drill test for likely extensions (Figure 5).

Furthermore, the Company intends to target zones where the cobalt enriched master-shear intersects the garnierite shear zone. It is at the intersection of the two shears that the historic workings have been situated, and from previous work undertaken by the Company, such shear zones are evidence in road cuttings constructed during the establishment of drill tracks.

Review of operations and activities (continued)

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 present their report on the consolidated entity consisting of Aus Tin Mining Ltd and the entities it controlled at the end of, or during, the year ended 30 June 2016. Throughout the report, the consolidated entity is referred to as the Group.

Directors

The following persons were Directors of Aus Tin Mining Ltd during the whole of the financial year and up to the date of this report:

Brian Moller
Nicholas Mather
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 (appointed 21 October 2010)

LLB (Hons)

Brian Moller is a corporate partner in the Brisbane-based law firm HopgoodGanim. 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 publicly 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
- Dark Horse Resources Ltd (formerly Navaho Gold Ltd)
- SolGold plc, which is listed on the London Stock Exchange (AIM)
- Buccaneer Energy Ltd (resigned 29 November 2013)
- Aguia Resources Ltd

Nicholas Mather - Executive Director (appointed 21 October 2010)

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 (resigned 16 February 2015)
- Dark Horse Resources Ltd (formerly Navaho Gold Ltd)
- Bow Energy Ltd (resigned 11 January 2012)
- Armour Energy Ltd
- Lakes Oil NL
- SolGold plc, which is listed on the London Stock Exchange (AIM)
- IronRidge Resources Ltd, which is listed on the London Stock Exchange (AIM)

Directors' report (continued)

Directors (continued)

John Bovard - Non-Executive Director (appointed 18 January 2013)

BE Civil, FAusIMM, FAICD

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 a Non-Executive Director of LSE(AIM)-listed SolGold plc. Other previous roles have included Non-Executive Chairman of Orbis Gold Ltd (resigned 17 February 2015) and Non-Executive Director of Australian Pacific Coal Ltd (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 (appointed 18 January 2013)

B.Acc, FCPA, FAICD

Mr Willson is an accountant with more than 20 years' experience in public practice and in various senior financial management, Company Secretarial and Non-Executive Director roles, predominantly 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.

Mr Willson is Company Secretary of ASX-listed Aurelia Metals Ltd, Beston Global Food Company Ltd and Wilgena Resources Ltd, and Non-Executive Director and Company Secretary of the not-for-profit Unity Housing Company.

He was previously a Non-Executive Director of ASX-listed Crestal Petroleum Ltd (previously Tellus Resources Ltd, now First Wave Cloud Technology Ltd) and CFO for Aurelia Metals Ltd and Beston Global Food Company Ltd.

Mr Willson is also a Director and Company Secretary of multiple other private companies.

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	13,038,452	10,000,000
Nicholas Mather	72,883,113	10,000,000
John Bovard	14,458,211	10,000,000
Richard Willson	4,066,750	10,000,000



Directors' report (continued)

Company secretary

Karl Schlobohm

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.

He currently acts as the Company Secretary for ASX-listed DGR Global Ltd, Dark Horse Resources Ltd (formerly Navaho Gold Ltd), Armour Energy Ltd and LSE(AIM)-listed SolGold plc and IronRidge Resources Ltd.

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.

There was no significant change in the nature of the activity of the group during the year.

Dividends

No dividend was declared or paid.

Significant events after balance date

On 17 August 2016, the production of tin concentrate commenced at the Granville Tin Project in Tasmania, elevating the Company to only the second tin producer listed on the ASX.

On 6 September 2016, the Company finalised a private placement undertaken with a number of professional and sophisticated investors to raise a total of \$750,000 at a price of \$0.011 per share. A total of 68,181,818 shares were allotted as a result of the placement.

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

Review and results of operations

The loss from ordinary activities after income tax amounted to \$1,287,695 (2015 loss: \$1,132,118).

Information on the operations and financial position of the group and its business strategies and prospects is set out in the review of operations and activities on pages 3 to 9 of this annual report.

Significant changes in the state of affairs

Significant changes in the state of affairs of the group during the financial year were as follows.

During the year, the Company acquired the Granville Tin Project in Tasmania. The Granville Tin Project is located approximately 20km north of the historic mining town Zeehan on the west coast of Tasmania, and lies within the historic Heemskirk tin field. The Granville Tin Project comprises two mining leases (21M/2003 and 9M/2006) currently approved for Level 1 operations, an open cut pit (Granville East) and a processing plant. The Company also executed an off-take agreement with Traxys Europe for all tin concentrate from the Granville Tin Project. Subsequent to 30 June 2016, the Company announced that it has commenced the production of tin concentrate, elevating the Company to only the second tin producer listed on the ASX.

Directors' report (continued)

Significant changes in the state of affairs (continued)

In the opinion of the Directors there were no other significant changes in the state of affairs of the group during the 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 the company

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

No proceedings have been brought or intervened in on behalf of the Company 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.

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.

Directors' report (continued)

Remuneration report (audited) (continued)

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 2016 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:

- link reward with the strategic goals and performance of the Company;
- align the interests of Executives with those of shareholders;
- 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 2016 is detailed in this Remuneration Report.

Relationship between remuneration and Company performance

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

Directors' report (continued)

Remuneration report (audited) (continued)

The Company listed on the ASX on 21 October 2010. The following table shows 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	30 June 2015	30 June 2016
Share price at year end	\$0.04	\$0.024	\$0.007	\$0.003	\$0.005	\$0.007

There were no dividends paid during the year ended 30 June 2016.

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 employment 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 an Executive Service Agreement with Mr Peter Williams, which took effect from 1 July 2015 and replaced the Consultancy Agreement previously in place with Mr Williams.

Under the terms of the Executive Service Agreement:

- Mr Williams is entitled to an annual base remuneration of \$271,500 excluding superannuation;
- Mr Williams will be provided with a fully maintained motor vehicle suitable for project site visits, an unreserved car park, a mobile telephone and a laptop computer;
- 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' insolvency or certain acts of misconduct;
- Mr Williams may become eligible for contractual bonuses of up to a further 40 percent of base salary annually, based on achieving certain specified performance criteria which include measurable factors associated with share price appreciation, project delivery and capital management.

Directors' report (continued)

Remuneration report (audited) (continued)

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	
2016	2015	2016	2015
-	-	100%	100%

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	3 months
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulation (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
 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 (audited) (continued)

Remuneration of Directors and Other Key Management Personnel

The below table represents the remuneration for Directors and Other Key Management personnel for the period 30 June 2016.

Name	Year	Short term benefits		Post-employment	Share-based payments		Total	% Consisting of options	% Performance related
		Salary & fees	Bonus	Superannuation	Options	Shares			
		\$	\$	\$	\$	\$			
Directors									
Brian Moller	2016	50,000	-	-	-	-	50,000	-	-
	2015	50,000	-	-	35,948	-	85,948	42%	-
Nicholas Mather	2016	100,000	-	-	-	-	100,000	-	-
	2015	100,000	-	-	35,948	-	135,948	26%	-
John Bovard*	2016	26,667	-	-	-	-	26,667	-	-
	2015	40,000	-	-	35,948	-	75,948	47%	-
Richard Willson	2016	40,000	-	-	-	-	40,000	-	-
	2015	40,000	-	-	35,948	-	75,948	47%	-
Executives									
Peter Williams	2016	271,500	-	19,308	-	-	290,808	-	-
	2015	201,936	-	-	24,743	-	226,679	11%	-
Karl Schlobohm	2016	50,000	-	-	-	-	50,000	-	-
	2015	50,000	-	-	3,093	9,600	62,693	6%	15%
Priy Jayasuriya**	2016	-	-	-	-	-	-	-	-
	2015	-	-	-	3,093	9,600	12,693	27%	73%
Total Remuneration	2016	538,167	-	19,308	-	-	557,475		
	2015	481,936	-	-	174,720	19,200	675,856		

* John Bovard waived his fees for the period 1 October 2015 to 31 January 2016 due to being unable to devote the appropriate time to the Company during this period.

** Priy Jayasuriya is remunerated by DGR Global Ltd.

There were no other executives employed or remunerated by the Company during the years ended 30 June 2016 and 2015.

Performance income as a proportion of total remuneration

There was no performance based remuneration during the year ended 30 June 2016 (2015: \$19,200).

Options issued as part of remuneration for the year ended 30 June 2016

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 share options issued affecting remuneration of Directors and other Key Management Personnel during the year ended 30 June 2016.

Directors' report (continued)

Remuneration report (audited) (continued)

The terms and conditions of the grant of options over ordinary shares affecting remuneration during the year ended 30 June 2016 of Directors and other Key Management Personnel are as follows:

	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Director Options	40,000,000	24/06/2015	24/06/2015	30/06/2017	\$0.02	\$0.0036
Key Management Personnel Options	15,000,000	20/05/2015	20/05/2015	30/06/2017	\$0.02	\$0.0021

Shares issued on exercise of remuneration options

There were no options exercised during the year that were previously granted as remuneration (2015: nil).

Performance shares issued as part of remuneration for the year ended 30 June 2016

There were no performance shares issued during the year ended 30 June 2016 (2015: nil).

Additional disclosures relating to Key Management Personnel

Shareholdings

	Balance 1 July 2015	Received as part of remuneration	Received on exercise of options or performance shares	Net change other*	Balance 30 June 2016
Directors					
Brian Moller	13,038,452	-	-	-	13,038,452
Nicholas Mather	72,883,113	-	-	-	72,883,113
John Bovard	14,458,211	-	-	-	14,458,211
Richard Willson	4,066,750	-	-	-	4,066,750
Other Key Management Personnel					
Peter Williams	56,906,814	-	-	-	56,906,814
Karl Schlobohm	254,000	-	-	-	254,000
Priy Jayasuriya	2,400,000	-	-	(400,000)	2,000,000
Total	164,007,340	-	-	-	163,607,340

* "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.

There were no shares held nominally at 30 June 2016.

Directors' report (continued)
Remuneration report (audited) (continued)
Option holdings

	Balance 1 July 2015	Granted as remuneration	Options exercised	Net change other	Balance 30 June 2016	Total vested	Total vested and exercisable	Total vested and unexercisable
Directors								
Brian Moller	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Nicolas Mather	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
John Bovard	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Richard Willson	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Other Key Management Personnel								
Peter Williams	12,000,000	-	-	-	12,000,000	12,000,000	12,000,000	-
Karl Schlobohm	1,500,000	-	-	-	1,500,000	1,500,000	1,500,000	-
Priy Jayasuriya	1,500,000	-	-	-	1,500,000	1,500,000	1,500,000	-

* "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.

Directors' report (continued)

Remuneration report (audited) (continued)

Performance shares

There were no performance shares on issue during the year ended 30 June 2016 (2015: nil).

Loans to Key Management Personnel

There were no loans to Directors or other key management personnel during the year ended 30 June 2016 (2015: nil).

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)	2016	-	18,329	-
	2015	-	7,448	-

(i) Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim lawyers. For the year ended 30 June 2016, \$18,329 (2015: \$7,448) was paid or payable to HopgoodGanim 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 \$39,743 (2015: \$84,727).

(End of Remuneration Report)

Meetings of Directors

The numbers of meetings of the Company's board of Directors and of each board committee held during the year ended 30 June 2016, and the numbers of meetings attended by each Director were:

Meeting type	Board		Audit and Risk Management Committee	
	No. of meetings held while in office	No. of meetings attended	No. of meetings held while in office	No. of meetings attended
Director				
Brian Moller	8	8	2	2
Nicholas Mather	8	7	n/a	n/a
John Bovard	8	7	2	2
Richard Willson	8	8	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.

Directors' report (continued)

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
20 May 2015	30 June 2017	\$0.02	16,000,000
24 June 2015	30 June 2017	\$0.02	40,000,000
6 July 2015	30 June 2017	\$0.02	258,556,000

No shares have been issued as a result of the exercise of share options since 1 July 2015. Share options do not carry any voting or dividend rights.

Non-audit services

BDO Audit Pty Ltd did not receive any amounts for the provision of non-audit services.

Auditor's independence declaration

The Auditor's Independence Declaration forms part of the Directors' report and can be found on page 23.

Signed in accordance with a resolution of Directors:



Brian Moller
Chairman

Brisbane
14 September 2016



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

As lead auditor of Aus Tin Mining Limited for the year ended 30 June 2016, 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, 14 September 2016

Shareholder information

The shareholder information set out below was applicable as at 12 September 2016.

A. Distribution of equity securities

Fully Paid Ordinary Shares, and Unlisted Options

	ORDINARY SHARES		UNLISTED \$0.02 OPTIONS EXERCISABLE ON OR BEFORE 30 JUN 2017		UNLISTED \$0.02 OPTIONS EXERCISABLE AT THE END OF EACH CALENDAR QUARTER THROUGH TO 30 JUN 2017	
	NUMBER OF HOLDERS	NUMBER OF SHARES	NUMBER OF HOLDERS	NUMBER OF SHARES	NUMBER OF HOLDERS	NUMBER OF SHARES
1 to 1,000	13	3,043			12	2,249
1,001 to 5,000	3	9,367			154	446,870
5,001 to 10,000	79	786,000			51	425,567
10,001 to 50,000	149	4,708,013			101	2,819,938
50,001 to 100,000	84	7,281,924			42	3,316,032
100,001 and Over	430	1,494,173,458	9	56,000,000	166	251,545,376
Total	758	1,506,961,805	9	56,000,000	526	258,556,032

The number of shareholders holding less than a marketable parcel of shares is 217 (holding a total of 4,156,423 ordinary shares).

Shareholder information (continued)

B. Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of ordinary shares in Aus Tin Mining Ltd are listed below:

Name	Ordinary shares	
	Number held	Percentage of issued shares
DGR GLOBAL LIMITED	328,030,650	21.77%
AUSTRALIAN MINERAL INVESTMENTS PTY LTD	256,000,000	16.99%
TENSTAR TRADING LIMITED	106,450,709	7.06%
SAMUEL HOLDINGS PTY LTD	70,207,113	4.66%
AURELIA METALS (FORMERLY YTC RESOURCES LIMITED)	68,200,000	4.53%
MR WILLIAM PETER WILLIAMS & MRS DONNA ADELE WILLIAMS	34,321,429	2.28%
PADIC PTY LTD	18,335,385	1.22%
GML PASTORAL PTY LTD	17,750,000	1.18%
MR KERRY JOHN MCKINNA	15,482,468	1.03%
STERLING MINING GROUP PTY LTD	14,458,211	0.96%
CHIFLEY PORTFOLIOS PTY LTD	14,000,000	0.93%
MR KERRY MCKINNA	12,554,865	0.83%
MR BRIAN MOLLER	12,456,081	0.83%
BODIE INVESTMENTS PTY LTD	11,000,000	0.73%
GEOROCKE PTY LTD	10,714,500	0.71%
RPM SOLUTIONS PTY LTD	10,000,000	0.66%
NOCKOLDS SUPERANNUATION PTY LTD	10,000,000	0.66%
SERLETT PTY LTD	10,000,000	0.66%
KRAM NOMINEES PTY LTD	9,442,500	0.63%
MR DANIEL AARON HYLTON TUCKETT	7,113,269	0.47%
PROFESSIONAL & SOPHISTICATED INVESTORS PTY LTD	7,000,000	0.46%
JADE SECURITIES PTY LTD	6,750,000	0.45%
	<u>1,050,267,180</u>	<u>69.70%</u>

C. Substantial holders

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

	Number held	Percentage
DGR GLOBAL LIMITED	328,030,650	21.77%
AUSTRALIAN MINERAL INVESTMENTS PTY LTD	256,000,000	16.99%
TENSTAR TRADING LIMITED	106,450,709	7.06%
	<u>690,481,359</u>	<u>45.82%</u>

D. Voting rights

All ordinary shares carry one vote per share without restriction.

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%	09.08.12	n/a	08.08.17	5 years
EL 50/2011	100%	21.05.12	n/a	20.05.17	5 years
EL 7800	100%	4.07.11	n/a	03.07.18	7 years
EL 7801	100%	4.07.11	n/a	03.07.18	7 years
EL 8335	100%	05.01.15	n/a	04.01.18	3 years
EL 8407	100%	04.11.15	n/a	03.11.18	3 years
ELA 5303	100%	n/a	15.06.16	n/a	n/a
ELA 5304	100%	n/a	15.06.16	n/a	n/a
21M/2003	100%	04.04.16	n/a	05.03.17	11 months
9M/2006	100%	04.04.16	n/a	05.03.17	11 months



Corporate Governance Statement

Aus Tin Mining Ltd and the board are committed to achieving and demonstrating the highest standards of corporate governance. Aus Tin Mining Ltd has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2016 corporate governance statement is dated as at 30 June 2016 and reflects the corporate governance practices in place throughout the 2016 financial year. The 2016 corporate governance statement was approved by the board on 30 June 2016. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at www.austinmining.com.au



Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Revenue		2,426	1,314
Revenue and other income	2	2,426	1,314
Administration and consulting expense		(915,207)	(797,314)
Depreciation and amortisation expense		(24,850)	(355)
Employee benefits expense		(94,373)	(35,549)
Exploration costs written off		(228,803)	(60,714)
Legal expenses		(22,810)	(11,115)
Share Based Payments		-	(200,782)
Loss before income tax		(1,283,617)	(1,104,515)
Income tax expense	4	(4,078)	(27,603)
Loss for the year		(1,287,695)	(1,132,118)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(1,287,695)	(1,132,118)
		Cents	Cents
Basic earnings per share	7	(0.1)	(0.1)
Diluted earnings per share	7	(0.1)	(0.1)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



Consolidated balance sheet
As at 30 June 2016

	Notes	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	8	11,188	686,562
Trade and other receivables	9	25,853	33,365
Inventories	10	530,000	-
Other current assets	11	91,699	76,228
Total current assets		658,740	796,155
Non-current assets			
Other financial assets	12	209,129	138,107
Property, plant and equipment	14	278,258	133,108
Exploration and evaluation	15	9,816,177	9,609,296
Total non-current assets		10,303,564	9,880,511
Total assets		10,962,304	10,676,666
Current liabilities			
Trade and other payables	16	1,266,794	579,245
Borrowings	17	128,515	63,216
Total current liabilities		1,395,309	642,461
Non-current liabilities			
Provisions	18	150,000	-
Total liabilities		1,545,309	642,461
Net assets		9,416,995	10,034,205
Equity			
Contributed equity	19	15,269,783	14,599,298
Other reserves		1,183,307	1,183,307
Retained earnings	22	(7,036,095)	(5,748,400)
Total equity attributable to owners of Aus Tin Mining Ltd		9,416,995	10,034,205

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
For the year ended 30 June 2016

	Contributed equity \$	Share- based payments \$	Retained earnings \$	Total equity \$
Balance at 1 July 2014	12,177,125	1,006,525	(4,616,282)	8,567,368
Loss for the year	-	-	(1,132,118)	(1,132,118)
Total comprehensive income for the year	-	-	(1,132,118)	(1,132,118)
Shares issued during the period	2,462,581	-	-	2,462,581
Share issue costs, net of tax	(64,408)	-	-	(64,408)
Share based payments	24,000	176,782	-	200,782
Balance at 30 June 2015	14,599,298	1,183,307	(5,748,400)	10,034,205
Balance at 1 July 2015	14,599,298	1,183,307	(5,748,400)	10,034,205
Loss for the year	-	-	(1,287,695)	(1,287,695)
Total comprehensive income for the year	-	-	(1,287,695)	(1,287,695)
Shares issued during the period	680,000	-	-	680,000
Share issue costs, net of tax	(9,515)	-	-	(9,515)
Balance at 30 June 2016	15,269,783	1,183,307	(7,036,095)	9,416,995

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 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of goods and services tax)		(402,858)	(524,856)
Interest paid		(4,241)	(3,401)
Interest received		2,426	1,314
Payments for mining inventory (refer note 27)		(265,000)	-
Net cash (outflow) from operating activities	21(a)	(669,673)	(526,943)
Cash flows from investing activities			
Payments for property, plant and equipment (refer note 27)	14	(85,000)	(115,530)
Deposit on land		-	(30,000)
Payments for security deposits		(95,930)	(8,920)
Refund of security deposits		12,559	-
Payments for exploration and evaluation assets		(370,097)	(482,120)
Net cash (outflow) from investing activities		(538,468)	(636,570)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities	19(a)(i)	130,000	1,848,024
Proceeds from borrowings		350,000	63,216
Share issue costs	19(a)(i)	(13,593)	(88,540)
Net cash inflow from financing activities		466,407	1,822,700
Net (decrease) increase in cash and cash equivalents		(741,734)	659,187
Cash and cash equivalents at the beginning of the financial year		686,562	27,375
Cash and cash equivalents at end of year		(55,172)	686,562

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

1 Summary of significant accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of Aus Tin Mining Ltd and its subsidiaries.

Corporate Information

The financial report of Aus Tin Mining Ltd for the year ended 30 June 2016 was authorised for issue in accordance with a resolution of the Directors on 14 September 2016.

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 Directors' report.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Aus Tin Mining Ltd is a for-profit entity for the purpose of preparing the financial statements.

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

Compliance with IFRS

The consolidated financial statements of the Aus Tin Mining Ltd group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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 report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2016, the Group generated a consolidated loss of \$1,287,695 and incurred operating cash outflows of \$785,996. As at 30 June 2016 the Group had cash and cash equivalents of \$11,188, net current liabilities of \$736,569 and net assets of \$9,416,995. Current liabilities included:

- A loan and trade payables to the Group's major shareholder, DGR Global Ltd, totalling \$391,432; and
- Trade and other payables to Directors, management and their related entities totalling \$551,732.

The ability of the Group to continue as a going concern is dependent upon the Group being able to manage its liquidity requirements by taking some or all of the following actions:

- Raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the Group to continue progress its mineral properties and to meet the Group's working capital requirements;
- Commence production and generate revenue from the Granville asset acquired during the year.
- Conversion to equity of amounts payable to DGR Global Ltd, Directors and other related parties;
- Reducing its level of capital expenditure through farm-outs and/or joint ventures;
- Reducing its working capital expenditure; and
- Disposing of non-core assets.

1 Summary of significant accounting policies (continued)

Basis of preparation (continued)

These conditions give rise to a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Notwithstanding the above, the Directors consider it appropriate to prepare the financial statements on a going concern basis after having regard to the following matters:

- On 17 August 2016 the Company commenced production on the Granville Tin Asset;
- On 6 September 2016 the Company finalised a private placement to a number of professional and sophisticated investors to raise \$750,000;
- The Group's major shareholder, DGR Global Ltd, and Directors have given written assurance that they will not call for the payment of the loan until such time as the Group is in a position to pay same from the proceeds of a capital raising, or from its own cash flow. These parties may also consider the conversion of all or part of the loan account as part of any such capital raising, dependent on the circumstances;
- The Group is currently pursuing a 1:10 Entitlement Offer at a price of \$0.011 per share, to raise up to \$1,660,000. The terms and conditions for the Entitlement Offer, together with the potential for it to be underwritten, are in the process of being finalised.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Group not be able to achieve the matters set out above and thus be able to continue as a going concern.

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.

Accounting Policies

(a) New and amended standards adopted by the group

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 2015:

Reference	Title	Application date of standard	Application date for the Company
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality- Offsetting Financial Assets and Financial Liabilities	1 July 2015	1 July 2015
AASB 2015-5	Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception	1 July 2015	1 July 2015

1 Summary of significant accounting policies (continued)

(a) New and amended standards adopted by the group (continued)

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 2016. 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 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	1 January 2016	1 July 2016
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	1 January 2016	1 July 2016
AASB 15	Revenue from Contracts with Customers	1 January 2018	1 July 2018
AASB 2014-9	Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements	1 January 2016	1 July 2016
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016	1 July 2016
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	1 January 2016	1 July 2016
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1 January 2016	1 July 2016
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	1 July 2015	1 July 2015
AASB 2015-5	Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception	1 July 2015	1 July 2015
AASB 2015-9	Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]	1 January 2016	1 July 2016
AASB 16	Leases	1 January 2019	1 July 2019
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017	1 July 2017
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	1 July 2017

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Aus Tin Mining Ltd and its subsidiaries as at and for the period ended 30 June each year (the "Group").

1 Summary of significant accounting policies (continued)

(b) Basis of consolidation (continued)

Subsidiaries

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

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.

(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.

1 Summary of significant accounting policies (continued)

(c) Business combinations (continued)

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.

(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.

1 Summary of significant accounting policies (continued)

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of mining stocks includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

(h) 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 time frames 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 of loss.

(i) Property, plant and 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.

1 Summary of significant accounting policies (continued)

(i) Property, plant and equipment (continued)

The depreciation rates used for each class of assets are:

<i>Class of Property, plant & equipment</i>	<i>Depreciation</i>
Motor Vehicles	20% Straight line
Office Equipment	20% - 33.3% Straight line
Plant and Equipment (Granville)	67% Straight line

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.

(j) 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.

(k) 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.

1 Summary of significant accounting policies (continued)

(l) 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.

(m) 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 Australian Corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(n) 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.

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.

1 Summary of significant accounting policies (continued)

(o) 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.

(p) 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.

(q) 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 recognised 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).

(r) 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.

1 Summary of significant accounting policies (continued)

(r) Income tax (continued)

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.

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.

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

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

(t) 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.

(u) Comparatives

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

1 Summary of significant accounting policies (continued)

(v) 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.

(w) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements 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 2016, 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 2016 were \$9,816,177 (2015: \$9,609,296).

2 Revenue and other income

	2016 \$	2015 \$
Interest	2,426	1,314
Total revenue	2,426	1,314
(a) Interest revenue from:		
- Deposits held with financial institutions	2,426	1,314
Total interest revenue	2,426	1,314

3 Profit / (loss)

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

	2016 \$	2015 \$
Depreciation		
- Office equipment	78	355
- Plant and equipment	24,772	-
Defined contribution superannuation expense	24,841	535

4 Income tax expense

	2016 \$	2015 \$
Components of tax expense / (benefit) comprise:		
Current tax	-	-
Deferred tax	4,078	27,603
Adjustments for current tax of prior periods	-	-
	4,078	27,603
Components of tax recognised directly in equity comprise:		
Deferred tax	(4,078)	(27,603)
	(4,078)	(27,603)

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% (2015: 30%)	(385,085)	(331,355)
Add tax effect of:		
Share based payments	-	60,235
Derecognition of tax losses	389,163	298,723
	4,078	27,603
Less tax effect of:		
Income tax expense / (benefit)	4,078	27,603

4 Income tax expense (continued)

	30 June 2015	Net charged to income	Net charged to equity	30 June 2016
Recognised deferred tax assets				
Unused tax losses	2,800,295	17,220	-	2,817,515
Deductible temporary differences	9,711	56,276	-	65,987
Capital raising costs in equity	72,783	(39,907)	4,078	36,954
Potential benefit at 30% (2015: 30%)	2,882,789	33,589	4,078	2,920,456
Recognised deferred tax liabilities				
Exploration and evaluation assets	(2,882,789)	(37,667)	-	(2,920,456)
Potential benefit at 30% (2015: 30%)	(2,882,789)	(37,667)	-	(2,920,456)
Net deferred tax recognised	-	(4,078)	4,078	-
Unrecognised deferred tax assets				
Unrecognised tax losses	6,451,407	1,388,759	-	7,840,166
Unrecognised deferred tax assets	1,935,422	596,628	-	2,532,050
	30 June 2014	Net charged to income	Net charged to equity	30 June 2015
Recognised deferred tax assets				
Unused tax losses	2,652,305	147,990	-	2,800,295
Deductible temporary differences	37,956	(28,245)	-	9,711
Capital raising costs in equity	100,569	(55,389)	27,603	72,783
Potential benefit at 30% (2014: 30%)	2,790,830	64,356	27,603	2,882,789
Recognised deferred tax liabilities				
Exploration and evaluation assets	(2,790,830)	(91,959)	-	(2,882,789)
Potential benefit at 30% (2014: 30%)	(2,790,830)	(91,959)	-	(2,882,789)
Net deferred tax recognised	-	(27,603)	27,603	-
Unrecognised deferred tax assets				
Unrecognised tax losses	5,353,789	1,097,618	-	6,451,407
Unrecognised deferred tax assets	1,606,137	329,285	-	1,935,422

5 Key management personnel disclosures

Key management personnel compensation

	2016	2015
	\$	\$
Short term employee benefits	538,167	481,936
Post-employment benefits	19,308	-
Share based payments	-	193,920
Total	557,475	675,856

Detailed remuneration disclosures are provided in the Remuneration report on pages 14 to 21.

6 Remuneration of auditors

BDO Audit Pty Ltd

	2016 \$	2015 \$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	45,519	44,049
Total remuneration for audit and other assurance services	<u>45,519</u>	<u>44,049</u>

7 Earnings per share

(a) Earnings

	2016 \$	2015 \$
Earnings used to calculate basic and diluted EPS (After tax)	<u>(1,404,018)</u>	<u>(1,132,118)</u>

(b) Weighted average number of shares and options

	2016 Number	2015 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,322,025,080	920,784,034
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	<u>1,322,025,080</u>	<u>920,784,034</u>

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

8 Cash and cash equivalents

	2016 \$	2015 \$
Current assets		
Bank balances	<u>11,188</u>	686,562
	<u>11,188</u>	<u>686,562</u>

8 Cash and cash equivalents (continued)

(i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	2016 \$	2015 \$
Balances as above	11,188	686,562
Bank overdrafts (refer note 17)	(66,360)	-
Balances per consolidated statement of cash flows	(55,172)	686,562

9 Current assets - Trade and other receivables

	2016 \$	2015 \$
Trade receivables	-	(699)
GST receivable	25,853	34,064
	25,853	33,365

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 2016 (2015: nil).

10 Current assets - Inventories

	2016 \$	2015 \$
Ore stockpiles (refer note 27)	530,000	-
	530,000	-

11 Current assets - Other current assets

	2016 \$	2015 \$
Prepayments	91,699	76,228
	91,699	76,228

12 Non-current assets - Other financial assets

	2016 \$	2015 \$
Security deposits	209,129	138,107
	209,129	138,107

13 Controlled entities

The group's principal subsidiaries at 30 June 2016 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Principal activities
		2016 %	2015 %	
New England Tin Pty Ltd	Australia	100.0	100.0	Mineral Exploration
Taronga Mines Pty Ltd	Australia	100.0	100.0	Mineral Exploration
Ten Star Mining Pty Ltd	Australia	100.0	100.0	Mine Development

14 Property, plant and equipment

	2016 \$	2015 \$
Freehold land		
At cost	133,030	133,030
Accumulated depreciation	-	-
Written down value	<u>133,030</u>	<u>133,030</u>
Plant and equipment		
At cost	170,000	-
Accumulated depreciation	(24,772)	-
	<u>145,228</u>	<u>-</u>
Motor Vehicles		
At cost	39,502	39,502
Accumulated depreciation	(39,502)	(39,502)
Written down value	<u>-</u>	<u>-</u>
Office Equipment		
At cost	5,363	5,363
Accumulated depreciation	(5,363)	(5,285)
Written down value	<u>-</u>	<u>78</u>
Total written down value	<u>278,258</u>	<u>133,108</u>

14 Property, plant and equipment (continued)

Reconciliation of carrying amounts at the beginning and end of the year

	Freehold land \$	Plant and equipment \$	Office Equipment \$	Total \$
Year ended 30 June 2016				
Opening net book amount	133,030	-	78	133,108
Additions	-	170,000	-	170,000
Depreciation charge	-	(24,772)	(78)	(24,850)
Closing net book amount	133,030	145,228	-	278,258

	Freehold land \$	Office Equipment \$	Total \$
Year ended 30 June 2015			
Opening net book amount	-	433	433
Additions	133,030	-	133,030
Depreciation charge	-	(355)	(355)
Closing net book amount	133,030	78	133,108

15 Non-current assets - Exploration and evaluation

	2016 \$	2015 \$
Exploration and evaluation		
Exploration and evaluation	9,816,177	9,609,296

	2016 \$	2015 \$
Movements in carrying amounts		
Balance at the beginning of the year	9,609,296	9,302,764
Expenditure during the year	435,684	367,246
Written-off during the year	(228,803)	(60,714)
Balance at the end of the year	9,816,177	9,609,296

Recoverability of carrying value of exploration and evaluation assets is dependent on the successful development and commercial exploitation of mineral resources or alternatively sale of the respective areas of interest.

16 Trade and other payables

	2016 \$	2015 \$
Current liabilities		
Trade payables	877,040	458,642
Accrued expenses	110,100	119,557
Employee benefit obligations	249,922	239
Other payables	29,732	807
	1,266,794	579,245

17 Current liabilities - Borrowings

	2016 \$	2015 \$
Secured		
Bank loans	62,155	63,216
Total secured current borrowings	<u>62,155</u>	<u>63,216</u>
Unsecured		
Bank overdraft	66,360	-
Total unsecured current borrowings	<u>66,360</u>	<u>-</u>
Total current borrowings	<u>128,515</u>	<u>63,216</u>

The bank loan is secured by a first registered mortgage over certain freehold properties owned by the Group. The current interest rate is 6.40% p.a. and is repayable in May 2017.

Convertible Note

On 14 April 2016 the Company executed a Term Sheet with DGR Global Ltd for the provision of \$350,000 in secured Convertible Note financing, to be converted to equity in the Company at \$0.005 cents at the earliest opportunity, and subject to regulatory clearances. This initiative allowed the Company to retain a 100% interest in the acquisition of the Granville Tin Project via its subsidiary company Ten Star Mining Pty Ltd.

On 18 April 2016 there was a partial conversion by DGR Global Ltd under the Convertible Note financing, being \$12,577 (2,515,490 shares at \$0.005 per share), leaving a balance of \$337,423 outstanding.

On 12 May 2016, after regulatory clearances were received, the Company allotted 67,484,510 fully paid ordinary shares to DGR Global Ltd (\$377,423 at \$0.005 per share) extinguishing all liability in respect of the Convertible Note.

18 Non-current liabilities - Provisions

	2016 \$	2015 \$
Provision for rehabilitation	<u>150,000</u>	-

(a) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

2016	Total \$
Carrying amount at start of year	-
Provision recognised on asset acquisition (refer note 27)	<u>150,000</u>
Carrying amount at end of year	<u>150,000</u>

The Group has conducted an extensive review of the environmental status of the Mining Leases associated with the Granville Mine site with a view to making an assessment of the appropriate provision it should make for liabilities in respect of rehabilitation and restoration. In the course of this exercise, a detailed internal assessment was conducted on potential costs for future rehabilitation and restoration. Based on this information, the Group has provided in respect of these restoration liabilities to \$150,000.

19 Issued Capital

(a) Issued and paid up capital

	Notes	2016 \$	2015 \$
Ordinary shares - fully paid	19(b)	(15,542,070)	(14,862,070)
Share issue costs, net of tax		272,287	262,772
		15,269,783	14,599,298

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) Movements in ordinary share capital

Details	Notes	Number of shares	\$
Opening balance 1 July 2014		671,134,834	12,177,125
Shares issued for cash and in settlement for amount owed (1)		135,921,750	530,225
Shares issued for cash and employee bonus' (2)		125,223,403	487,149
Shares issued for cash (3)		8,000,000	32,000
Shares issued for cash (4)		225,000,000	866,270
Shares issued for cash (5)		127,500,000	506,529
Balance 30 June 2015		1,292,779,987	14,599,298
Shares issued to the vendors of the Granville Tin Project (6)		50,000,000	197,882
Share issued for cash and in settlement for amount owed (7)		28,515,490	137,117
Shares issued on conversion of the convertible note (8)		67,484,510	335,486
Balance 30 June 2016		1,438,779,987	15,269,783

(1) On 5 September 2014, 135,921,750 \$0.004 ordinary shares were issued, net of share issue costs of \$13,462. Of this total 117,136,250 were issued in a private placement and 18,785,500 were issued as partial consideration of outstanding Directors' fees.

(2) On 24 October 2014, 119,223,403 \$0.004 ordinary shares were issued, net of share issue costs of \$13,747, pursuant to a non-renounceable entitlement offer and 6,000,000 ordinary shares were issued as bonus to certain employees and key management personnel.

(3) On 13 March 2015, 8,000,000 \$0.004 ordinary shares were issued, pursuant to a private placement.

(4) On 13 April 2015, 225,000,000 \$0.004 ordinary shares were issued, net of share issue costs of \$33,730, pursuant to a private placement.

(5) On 24 June 2015, 127,500,000 \$0.004 ordinary shares were issued, net of share issue costs of \$3,471, pursuant to a private placement.

(6) On 14 April 2016, 50,000,000 \$0.004 ordinary shares were issued to the vendors of the Granville Tin Project in accordance with the Sale and Purchase Agreement, net of share issue costs of \$2,118.

(7) On 14 April 2016, 28,515,490 \$0.005 ordinary shares were issued. Of this total 26,000,000 were issued for cash pursuant to a private placement and 2,515,490 for settlement of amounts to DGR Global Ltd, net of share issue costs of \$5,460.

(8) On 12 May 2016, 67,484,510 \$0.005 ordinary shares were issued to DGR Global Ltd on conversion of the convertible note into ordinary shares, net of share issue costs of \$1,937.

19 Issued Capital (continued)

(c) Options

As at 30 June 2016, there were 314,556,032 unissued ordinary shares of Aus Tin Mining Ltd under option, held as follows:

- 16,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued under the Aus Tin Employee Share Option Plan) at an exercise price of 2 cents. The options vested immediately on grant and expire 30 June 2017.
- 40,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Directors) at an exercise price of 2 cents. The options vested immediately on grant and expire 30 June 2017.
- 40,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Directors) at an exercise price of 2 cents. The options vested immediately on grant and expire 30 June 2017.
- 258,556,032 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to eligible shareholders on the record date, 30 June 2016, on a one free option for every five shares held basis) at an exercise price of 2 cents at the end of each calendar quarter through to expiry. The options vested immediately on grant and expire June 2017.

(d) Performance shares

There were no performance shares issued or converted during the year ended 30 June 2016 (2015: nil).

(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.

20 Share-based payments

(a) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	2016	2015
	\$	\$
Expense arising from equity settled share-based payments transactions	-	200,782

(b) Types of share-based payment plans

Employee 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.

20 Share-based payments (continued)

(b) Types of share-based payment plans (continued)

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.

There were no performance shares outstanding at 30 June 2016 (2015: nil).

Other share-based payments

On 11 April 2016 the Company issued 50,000,000 shares as partial consideration for the acquisition of the Granville Tin Project, refer note 27 for details.

(c) Summary of options granted

The following table illustrates the number and weighted average exercise prices of, and movements in, share based payment share options granted during the year:

	2016		2015	
	Weighted average exercise price per share option	Number of options	Weighted average exercise price per share option	Number of options
As at 1 July	0.02	56,000,000	0.04	65,500,000
Granted during the year	-	-	0.02	56,000,000
Forfeited during the year	-	-	0.04	(65,500,000)
As at 30 June	0.02	<u>56,000,000</u>	0.02	<u>56,000,000</u>
Vested and exercisable at closing balance 30 June	0.02	<u>56,000,000</u>	0.02	<u>56,000,000</u>

The options outstanding at 30 June 2016 have a remaining contractual life of 1.00 years (2015: 2.00 years) and exercise prices of \$0.02 (2015: \$0.02).

(d) Summary of performance shares granted

There were no performance shares issued during the year (2015: nil).

(e) Option pricing model

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

There were no options issued during the year ended 30 June 2016.

20 Share-based payments (continued)

(e) Option pricing model (continued)

The following table details the inputs used for calculating the value options granted during the prior year using the Black-Scholes methodology:

	Employee share options	Director share options
Weighted average exercise price	\$0.02	\$0.02
Weighted average life of the option	\$2.12	\$2.02
Underlying share price	\$0.01	\$0.00
Expected dividends	-	-
Risk free interest rate	2.03%	2.02%
Number of options issued	16,000,000	40,000,000
Value (Black-Scholes) per option	\$0.00	\$0.00
Total value of options issued	\$32,990	\$143,792

21 Cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	2016 \$	2015 \$
Profit for the year	(1,287,695)	(1,132,118)
Depreciation and amortisation	24,850	355
Exploration written off	228,803	60,714
Share based payments	-	200,782
Debt to equity conversions	-	107,639
Change in operating assets and liabilities:		
(Increase) decrease in trade and other receivables	7,512	7,576
(Increase) decrease in prepayments	(15,471)	(28,728)
Increase (decrease) in trade and other payables	372,328	229,234
(Decrease) increase in deferred tax liabilities	-	27,603
Net cash inflow (outflow) from operating activities	(669,673)	(526,943)

(b) Non-cash investing and financing activities

	2016 \$	2015 \$
Shares issued to settle liabilities	550,000	638,556
Deferred tax recognised in equity	4,078	27,603

22 Retained earnings

Movements in retained earnings were as follows:

	2016 \$	2015 \$
Balance 1 July	(5,748,400)	(4,616,282)
Net loss for the period	(1,287,695)	(1,132,118)
Balance 30 June	<u>(7,036,095)</u>	<u>(5,748,400)</u>

23 Parent entity financial information

	2016 \$	2015 \$
Statement of Financial Position		
Current assets	125,217	759,706
Non-current assets	7,332,289	6,353,593
Total assets	7,457,506	7,113,299
Current liabilities	1,395,066	608,398
Total liabilities	1,395,066	608,398
Net assets	6,062,440	6,504,901
Issued capital	11,621,927	10,951,442
Share-based payments reserve	2,613,427	2,613,427
Retained earnings	<u>(8,172,915)</u>	<u>(7,059,967)</u>
Total shareholders' equity	<u>6,062,439</u>	<u>6,504,902</u>
Profit or loss for the year	<u>(1,229,271)</u>	<u>(1,112,058)</u>
Total comprehensive income	<u>(1,229,271)</u>	<u>(1,112,058)</u>

24 Related party transactions

(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 Ten Star Mining Pty Ltd which are all incorporated in Australia.

(b) Parent entity

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

(c) Key management personnel compensation

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

24 Related party transactions (continued)

(d) Transactions with other 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)	2016	-	192,000	-
	2015	-	192,000	-

(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 these Services, the Group pays DGR Global Ltd a monthly management fee. For the year ended 30 June 2016, \$192,000 was paid or payable to DGR Global (2015: \$192,000) for the provision of the Services. The total current amount payable at year end was \$391,432 (2015: \$172,112).

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

(e) Loans to/from related parties

On 14 April 2016 the Company executed a Term Sheet with DGR Global Ltd for the provision of \$350,000 in secured Convertible Note financing, to be converted to equity in the Company at \$0.005 cents at the earliest opportunity, and subject to regulatory clearances.

On 18 April 2016 there was a partial conversion by DGR Global Ltd under the Convertible Note financing, being \$12,577.45 (2,515,490 shares at \$0.005 per share), leaving a balance of \$337,422.55 outstanding.

On 12 May 2016, 67,484,510 fully paid ordinary shares to DGR Global Ltd (\$337,423 at \$0.005 per share) fully extinguishing the loan.

25 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:

	2016	2015
Less than 12 months	469,000	2,156,000
Between 12 months and 5 years	511,250	3,513,500
Total future exploration commitments	980,250	5,669,500

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.

25 Commitments (continued)

(b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Capital commitments	2016	2015
Not later than one year	1,100,000	1,100,000
Later than one year and not later than 5 years	-	-
Later than 5 years	-	-
Total minimum capital commitments:	1,100,000	1,100,000

The capital commitments relate to an option to purchase the property located at 560 Grampians Road, Emmaville, New South Wales.

26 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 and Westpac Banking Corporation.

26 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.

Contractual maturities of financial liabilities	Less than 6 months \$	6 - 12 months \$	Between 1 and 5 years \$	Over 5 years \$	Total \$
At 30 June 2016					
<i>(i) Liquid financial assets</i>					
Cash and cash equivalents	11,188	-	-	-	11,188
Trade and other receivables	25,853	-	-	-	25,853
Other financial assets	-	-	209,129	-	209,129
Total financial assets	37,041	-	209,129	-	246,170
<i>(ii) Liquid financial liabilities</i>					
Bank overdraft	(66,360)	-	-	-	(66,360)
Trade payables	(1,266,794)	-	-	-	(1,266,794)
Borrowings (excluding finance leases)	-	(62,155)	-	-	(62,155)
Total financial liabilities	(1,333,154)	(62,155)	-	-	(1,395,309)
Net inflow (outflow)	(1,296,113)	(62,155)	209,129	-	(1,149,139)
At 30 June 2015					
<i>(i) Liquid financial assets</i>					
Cash and cash equivalents	686,562	-	-	-	686,562
Trade and other receivables	33,365	-	-	-	33,365
Other financial assets	-	-	138,107	-	138,107
Total financial assets	719,927	-	138,107	-	858,034
<i>(ii) Liquid financial liabilities</i>					
Trade payables	(579,244)	-	-	-	(579,244)
Borrowings (excluding finance leases)	-	(63,216)	-	-	(63,216)
Total financial liabilities	(579,244)	(63,216)	-	-	(642,460)
Net inflow (outflow)	140,683	(63,216)	138,107	-	215,574

26 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:

2016	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	Total carrying amount \$	Weighted average effective interest rate %
(i) Financial assets					
Cash and cash equivalents	11,188	-	-	11,188	0.01
Trade and other receivables	-	-	25,853	25,853	-
Other financial assets	-	-	209,129	209,129	-
Total financial assets	11,188	-	234,982	246,170	0.01
(ii) Financial liabilities					
Bank overdraft	(66,360)	-	-	(66,360)	11.75
Trade and other payables	-	-	(1,266,794)	(1,266,794)	-
Borrowings	(62,155)	-	-	(62,155)	6.40
Total financial liabilities	(128,515)	-	(1,266,794)	(1,395,309)	9.16
2015	Floating interest rate \$	Fixed interest rate \$	Non-Interest bearing \$	Total carrying amount \$	Weighted average effective interest rate %
(i) Financial assets					
Cash and cash equivalents	686,562	-	-	686,562	0.01
Trade and other receivables	-	-	33,365	33,365	-
Other financial assets	-	-	138,107	138,107	-
Total financial assets	686,562	-	171,472	858,034	0.01
(ii) Financial liabilities					
Trade and other payables	-	-	579,244	579,244	-
Borrowings	63,216	-	-	63,216	6.40
Total financial liabilities	63,216	-	579,244	642,460	6.40

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

27 Asset acquisitions

On 11 April 2016, the company acquired the Granville Tin Project. The Granville Tin Project comprises two mining leases (21M/2003 and 9M/2006) currently approved for Level 1 operations, an open cut pit (Granville East) and a processing plant. Consideration for the Granville Tin Project included a \$350,000 cash, the replacement of \$95,000 environmental bank guarantee and the issue of 50,000,000 shares in Aus Tin Mining Ltd at a price of \$0.004 per share, subjected to a voluntary escrow in four equal tranches over a two year period. Therefore, the total purchase consideration for the acquisition was \$645,000. Accordingly the purchase consideration was allocated based on a portion of the estimated fair values of the assets acquired and the liabilities assumed as follows:

	Carrying Value
	\$
Security deposit	95,000
Inventory	530,000
Plant and equipment	170,000
Provision for rehabilitation (refer note 18)	(150,000)
Total	645,000

The \$350,000 cash payment has been apportioned between inventory and plant and equipment for the purposes of the statement of cash flows. Inventory has been assigned \$265,000 and plant and equipment \$85,000.

28 Segment information

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.

29 Contingent liabilities and contingent assets

The group had no contingent liabilities at 30 June 2016 (2015: nil).

30 Events occurring after the reporting period

On 17 August 2016, the production of tin concentrate commenced at the Granville Tin Project in Tasmania, elevating the Company to only the second tin producer listed on the ASX.

On 6 September 2016, the Company finalised a private placement undertaken with a number of professional and sophisticated investors to raise a total of \$750,000 at a price of \$0.011 per share. A total of 68,181,818 shares were allotted as a result of the placement.

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

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 28 to 59 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.



Brian Moller
Director

Brisbane
14 September 2016

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 2016, the consolidated statement of profit or loss and other 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 2016 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, commencing production and generating revenue from the Granville assets, converting related party payables to equity, reducing capital expenditure, 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

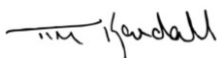
We have audited the Remuneration Report included in pages 14 to 21 of the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our 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 2016 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd

BDO



T J Kendall

Director

Brisbane, 14 September 2016