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CONSOLIDATED
TIN MINES LIMITED



Tin Project Update

Consolidated Tin Mines Limited (CSD) (Company) is pleased to provide an update on the Company's flagship tin project at Mt Garnet, North Queensland.

SUMMARY

- The Company holds significant tin Resources across the three Key Deposits of Gillian, Pinnacles and Windermere
- Substantial metallurgical development work has been carried out on Gillian mineralisation leading to an efficient high recovery flowsheet
- DFS results indicated that based on the current lower tin prices further tin resources would be required to extend the Gillian mine life to improve financial viability of the project
- Review was completed on resource extension options including Pinnacles and other alternatives
- Pinnacles required additional flowsheet development and recovery equipment for Fluorine removal (a valued by-product) prior to tin recovery
- Subsequently two prospects, owned by Snow Peak Mining Pty Ltd (SPM), Tin01 and Wriggly, have been identified in near proximity to Gillian with potentially similar mineralisation
- Further exploration is planned on these two new prospects to potentially increase resources with similar mineralisation to Gillian

BACKGROUND

The Mt Garnet Tin Project initially commenced feasibility development utilising three separate deposits at Gillian, Pinnacles and Windermere. Following initial scoping work a pre-feasibility study was completed in 2013/2014 on the Gillian and Pinnacles deposits only (refer ASX release dated 30 September 2013). This was then followed by a Definitive Feasibility Study (DFS) completed in September 2015 on the Gillian deposit only, as a stand-alone Project.

The Company had decided the primary focus would be on the Gillian Deposit mineralisation as this deposit was considered the first deposit that would be mined, followed by the Pinnacles Deposit, then the Windermere Deposit. In parallel with these studies significant progress was made in the recovery of tin from the ironstone skarns that are prevalent in the Mt Garnet area, in particular on Gillian type mineralisation.

The 2015 DFS production profile based on the Gillian standalone model resulted in the Company deciding that it would need additional Gillian type tin Resources to be financially viable at current tin prices. It was believed at the time the best economic option would be to complete further development and feasibility study work on the Pinnacles deposit and add this resource base to the initial Gillian project. (ASX Release 3rd December 2015)

It is the Company's current intention to continue to develop the Pinnacles flowsheet for fluorine recovery, which would then be included in a proposed stage 2 development following the development of Gillian.

The Company has located two areas close to Gillian that potentially carry tin bearing ironstone skarn with similar metallurgical characteristics to Gillian ore. These areas are the Tin01 and Wriggly prospects (figure 1).

These two prospects are part of the SPM assets purchased from Kagara Ltd which have not previously been investigated by CSD for tin.

CSD has identified anomalous areas of mineralisation associated with the tin bearing ironstones. The Company has undertaken sampling and mapping of the outcropping structures that have identified similarity to Gillian mineralogy.

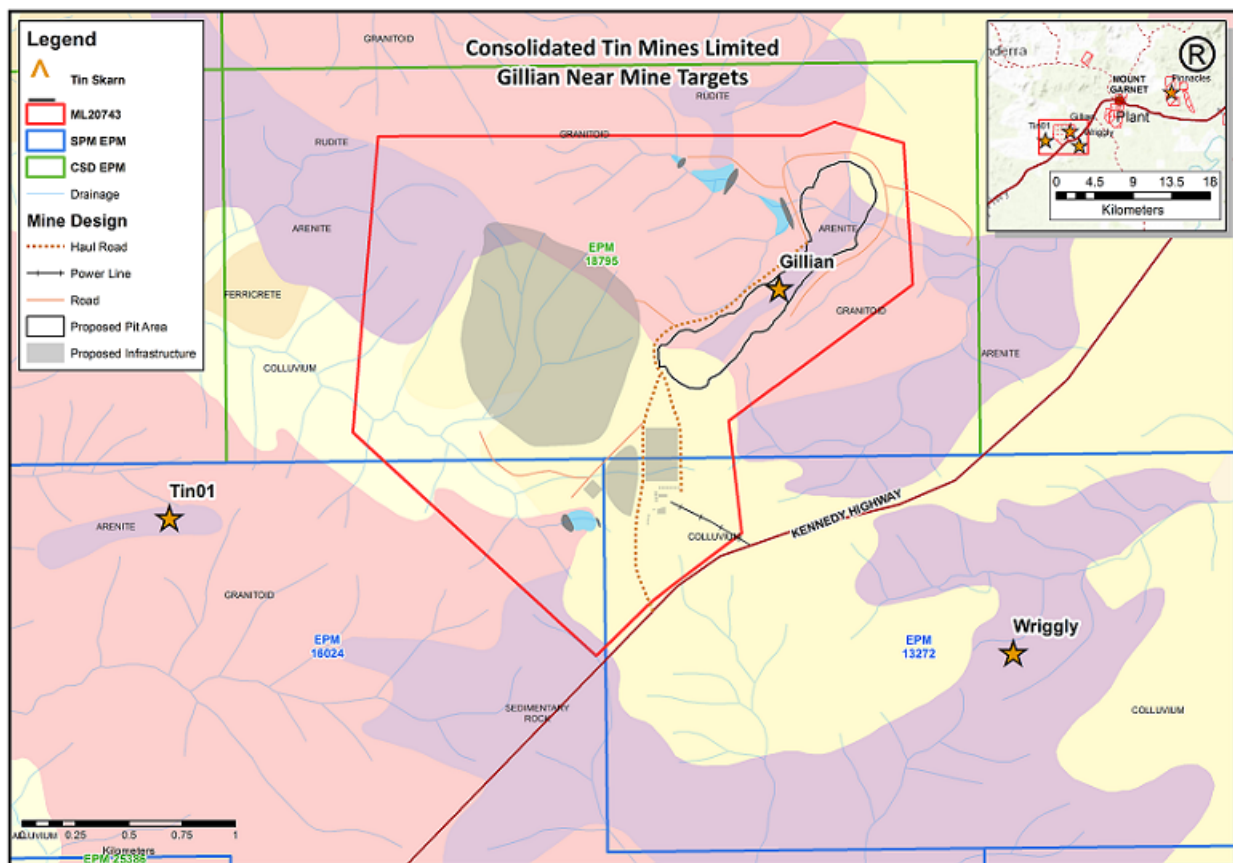


Figure 1; Gillian-Style Targets – Location Plan

The Tin01 prospect is located 2.5km west of the Gillian Deposit and the outcropping ironstone material exhibits similarities to the Gillian Deposit.

The Wriggly prospect is located 2km south of Gillian Deposit and the ironstone outcrops for approximately 350m along strike.

EXPLORATION PLANNING

A staged exploration program is proposed to test Wriggly and Tin01 for potential resource addition to the Gillian Deposit. Should the planned exploration programs result in identifying significant tin mineralisation, the Company will undertake early mineralogy test work to confirm it is amenable to the Gillian mineralisation tin recovery process. Resource drill out would then occur to seek to add to the feasibility study to increase mine life.

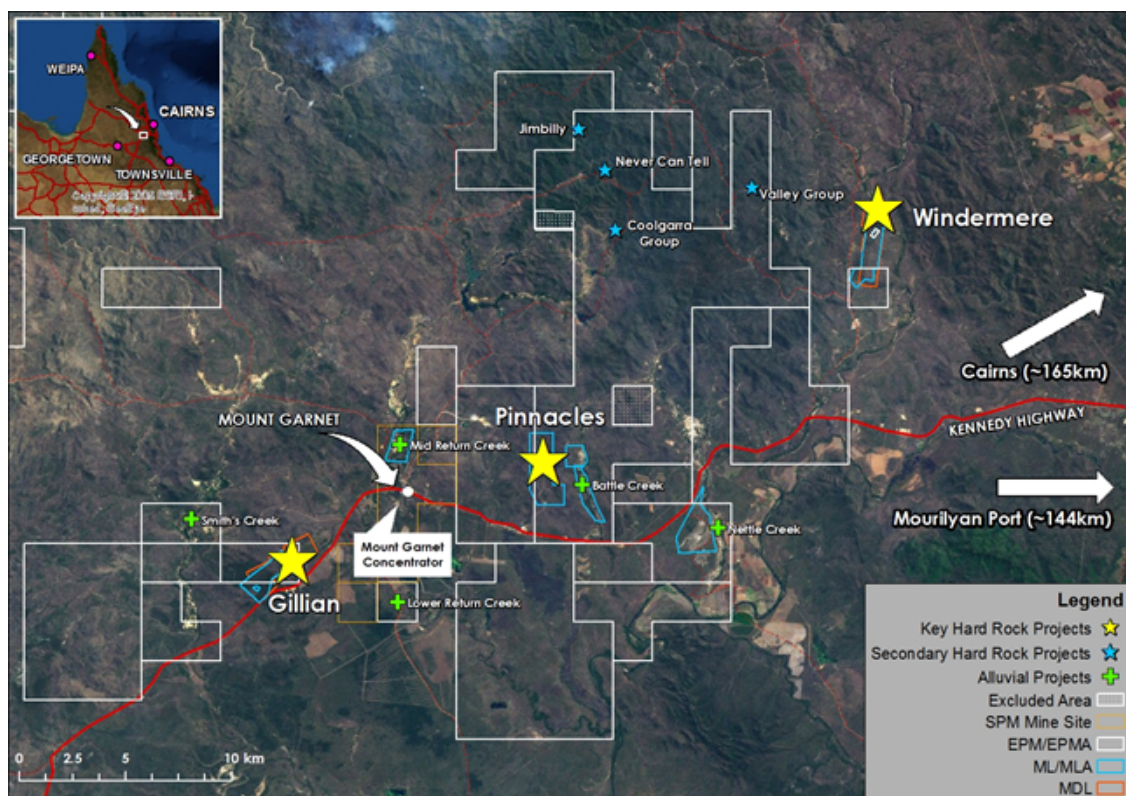


Figure 2; Mt Garnet Tin Project - Project Location Plan

The information extracted from previous ASX announcements contained in this announcement are available to view on www.csdtin.com.au.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.