CONSOLIDATED
TIN MINES LTD
ABN 57 126 634 606

Annual Report

For The Year Ended

30 June 2010

CONSOLIDATED TIN MINES LIMITED
ABN 57 126 634 606

CORPORATE DIRECTORY

Board of Directors

Mr Ralph De Lacey	Chairman (Executive)
Mr John Sainsbury	Executive Director
Mr Andrew Kerr	Non-Executive Director

Company Secretary

Mr Kevin Hart

Registered Office

395 Lake Street
Cairns North QLD 4870

Principal Administrative Office

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Cairns North QLD 4870
Telephone: (07) 4032 3319
Fax: (07) 4027 9429

Auditors

BDO (Nth QLD)
27 Aplin Street
Cairns, QLD 4870

Share Registry

Share Transfer Registrars Pty Ltd
770 Canning Highway
Applecross, WA 6153
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Stock Exchange Listing

Australian Securities Exchange
Perth, Western Australia

Website Address

www.consolidatedtinmines.com.au

ASX Codes

CSD – Ordinary Shares
CSDO – Options expiring 31/12/2013

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CHAIRMAN'S LETTER

Dear Shareholder

It has been another year of positive development for Consolidated Tin Mines and its Mt Garnet Tin project in northern Queensland. The major milestone for the Company this year has been the development of a process flow sheet followed by an independent Scoping Study into the economic potential of the project (undertaken by SEMF). The Scoping Study was based on the project's JORC Mineral Resource at the time of 5.3Mt. Although only an early stage study the potential returns it has demonstrated gives confidence for the company to continue to move forward with our development plans for a large scale tin mining operation at the Mt Garnet Project. The Company remains focused on the three key project areas at Mt Garnet (Gillian, Pinnacles and Windermere/Deadmans Gully) and the development of a central mill concept to bring each of these projects into production as quickly as possible.

The next major milestone for the Company will be a Pre feasibility study and the Company continues to work towards this goal.

The Company recently announced the grant of the Windermere Project which adds 2.1Mt to the Company's JORC Mineral Resource, bringing this to 7.3 Mt @0.6% Sn (44,000t contained tin metal). The company will now undertake a drilling program on the Windermere project in the near future to upgrade the JORC Mineral Resource category.

The Pre feasibility Study (and then Bankable Feasibility Study to follow) will be carried out on an 8 to 10Mt Resource at the Mt Garnet project. The Company is also putting considerable effort into optimising the tin recovery circuit with very positive results being achieved. The Directors are working towards the Prefeasibility Study as quickly as available funds will allow.

We also remained focused on developing our alluvial tin projects into mining operations in the near term and will continue to strive to achieve this objective. These projects potentially offer strong operating margins to the Company. Discussions with potential JV or farm in partners are progressing.

Looking ahead to the coming 12 months, the Company will continue to progress its development plans for the Mt Garnet Tin Project and seek to add value for shareholders at every opportunity, while still carefully managing our expenditure.

I would like to thank my fellow directors for their continuing support and commitment to the goals of the Company, and the employees and contractors for their strong contribution to our achievements over the last year.

I would also like to thank all shareholders for their continuing support.

I and my fellow directors look forward to the coming year as we continue the development of Consolidated Tin Mines into a major tin mining producing company.

Yours sincerely

Mr Ralph De Lacey
Chairman of the Board

REVIEW OF OPERATIONS

Three Key Project areas

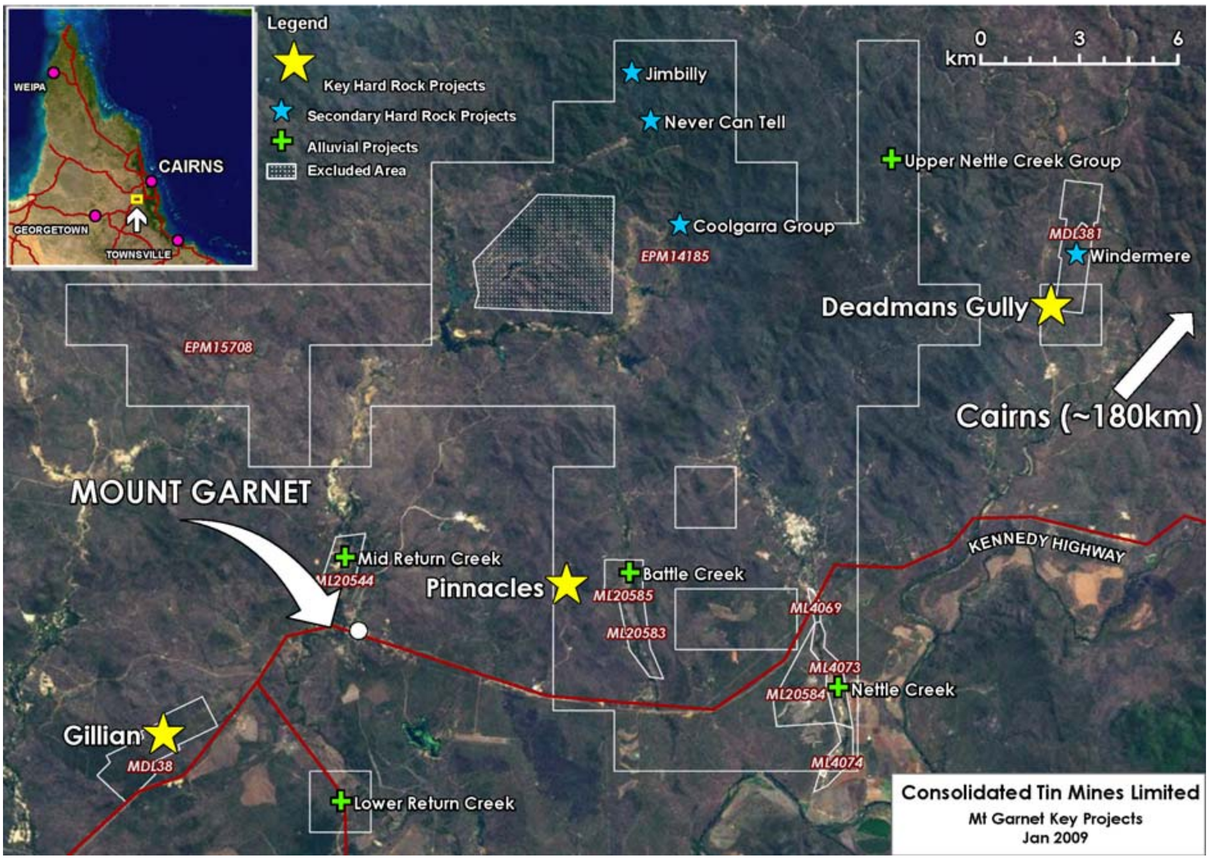
The Company has maintained focus on its three key tin project areas of Gillian, Pinnacles and Windermere/Deadmans Gully in the Herberton Tin Field, in far north Queensland.

The Company's aim is to establish an 8 to 10 million tonne resource across these three projects with an average grade of 0.5% Sn. This 8 to 10 million tonne target resource will justify the establishment of a large scale central mill at a scale capable of treating 1million tonne of ore per annum and producing 5,000 tonne of tin metal per annum.

Once this mill is established, it is intended that the mine life of the project will be extended from the initial 8 to 10 years. The Company has acquired an impressive portfolio of advanced tin exploration projects in the area and these will serve as satellite feeds for the Central Mill.

Note: The 8 to 10 million tonne target resource is conceptual in nature as insufficient drilling has been undertaken at this stage and it is uncertain that future drilling will result in the determination of this target.

Figure 1: Three Key Projects map



Gillian

The Gillian project is the most advanced of the three key projects and has a **JORC Resource of 3Mt at 0.78%Sn (total tin), which includes 1.2Mt at 0.82% Sn in the Measured category**. The latest drilling program was carried out in November and December 2009, and produced significant intercepts of tin mineralisation. A total of 2,340 metres of RC drilling was completed over 44 holes. The program was designed to increase the measured and indicated JORC Resource. The drill program was predominantly an infill program which was designed to improve confidence in the extent of mineralisation confirmed from the Company's previous drill programs. The drilling at the Gillian Project has resulted in some very encouraging results and included 25 intersections over 10 metres in length at better than 0.5%Sn.

To date Consolidated Tin Mines has completed a total of 4,400 metres of RC drilling and 95 metres of diamond drilling within the Gillian project. The results from the drill programs confirm the potential to develop the project into a significant near-surface, low cost tin mining operation.

The most recent drill program also allowed the company to commission the development of a three dimensional model of the ore body at the Gillian project. This further illustrates that the Gillian mineralisation is open along strike in all directions and at depth, and is outcropping in places. There is also potential for extensions at depth.

Figure 2: Gillian Drill Collar Locations

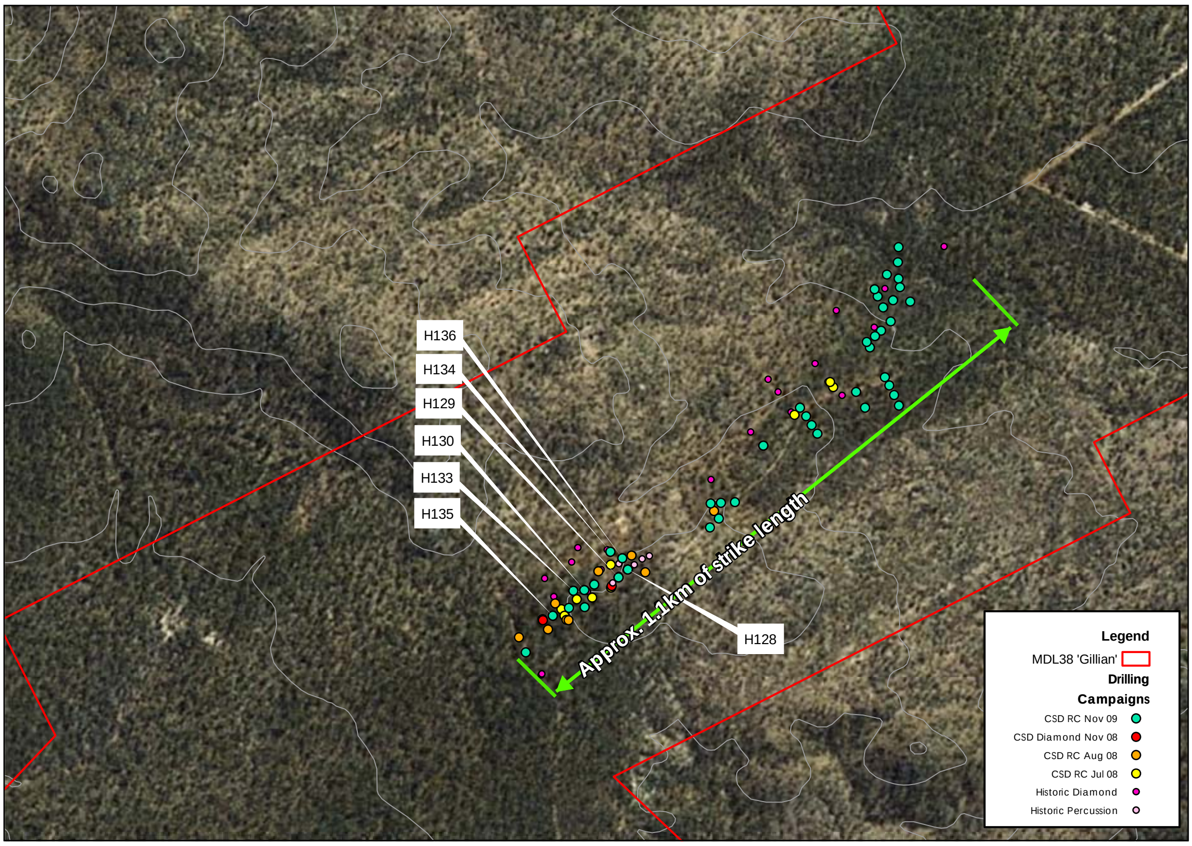


Figure 3: Gillian Resource: End View facing grid north

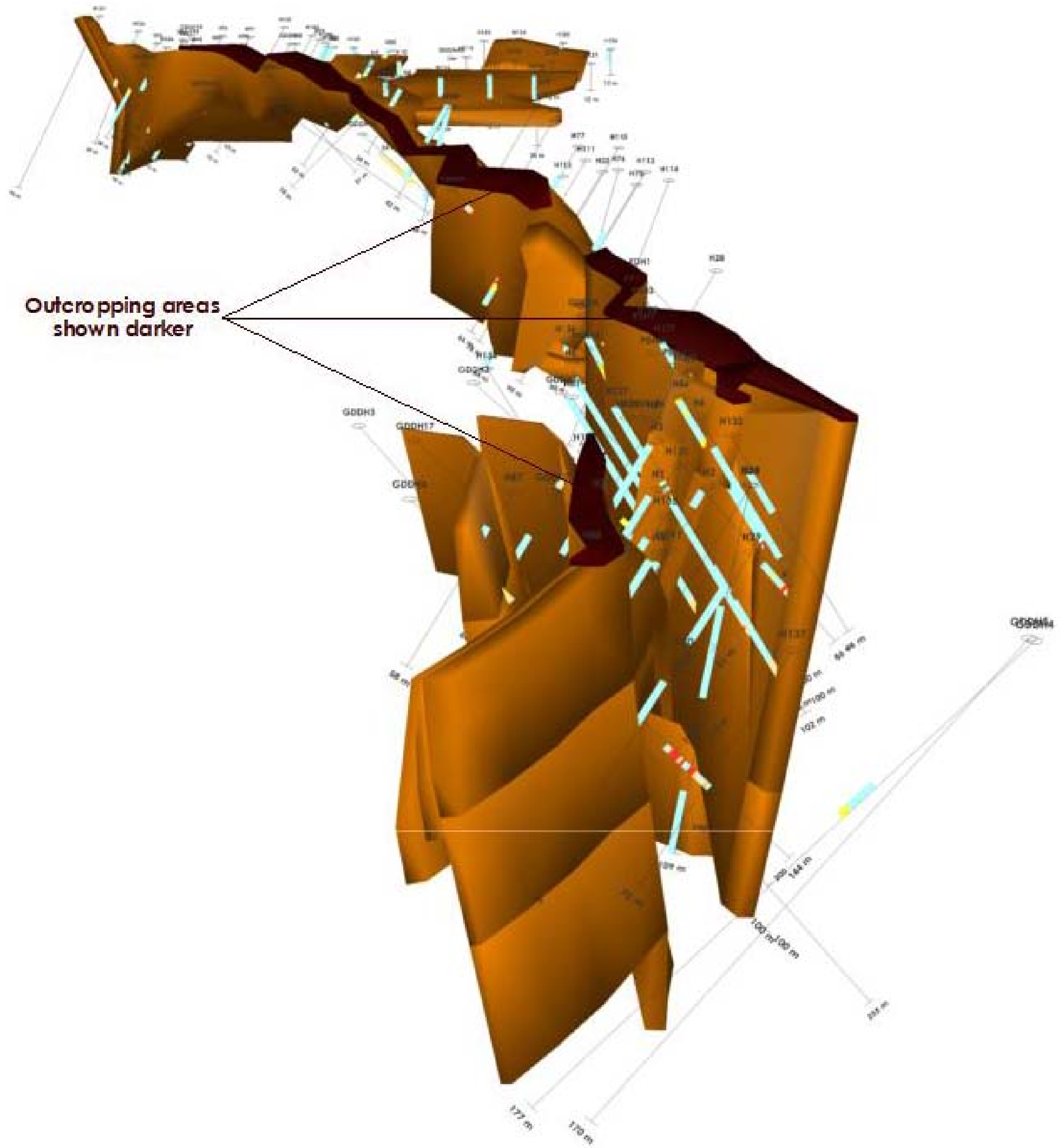
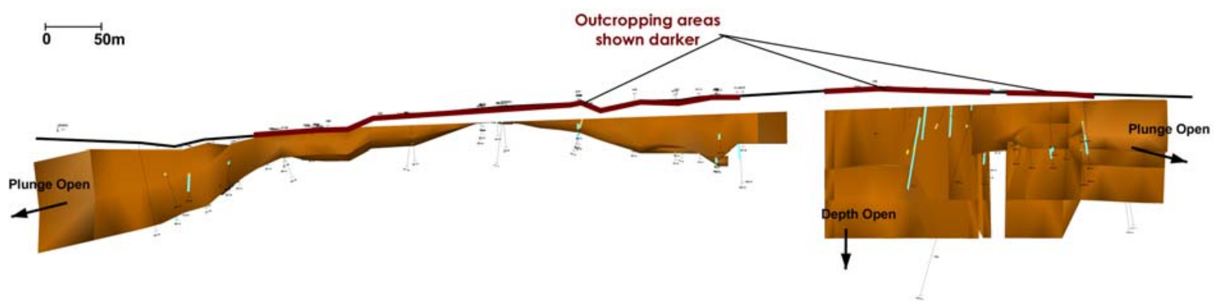


Figure 4: Gillian Resource: Longitudinal View facing grid east



The company lodged a mining lease application over the Gillian Project on 7th August 2009 and has commissioned environmental baseline studies.

Windermere

The Company is encouraged by the exposed strike length of tin bearing ironstone (3km), exposed widths (5-10 metres), and tin grades (0.5%-1.0% Sn based on 1970s-1990s rock chip assay work) at the Windermere project. There has been no historic drilling within the MDL section of the Windermere project, and the Company looks forward to commencing the maiden drill program at this section of the project.

The Windermere Project (MDL381) was granted on 17th August 2010. The Windermere Project has a current **Inferred JORC Mineral Resource of 2.1Mt @ 0.55% Tin (Sn). This increased the total JORC Mineral Resource at the Mt Garnet Project to 7.3Mt @ 0.60% Tin (Sn),** across its three key project areas; Gillian, Pinnacles and Deadmans Gully/Windermere.

The Company will focus its next phase of drilling on upgrading the JORC resource at the Windermere project, and plans to commence drilling at the Windermere Project in the near future.

The Inferred resource estimate at Windermere is estimated by John Sainsbury and is based an assumption of dip continuity to 100 metres of 1700 metres of strike extent of the Windermere mineralisation with average width of 4 metres. The dimensions are conservative estimations of exposed strike length and average width. The dip extent is based on current RL difference of 50 metres in current exposures of the mineralisation and evidence of skarn continuity from drilling programs at the Company's other Mt Garnet skarns. Density of 3 is used from measurements from the company skarn occurrences for similar massive ironstone. Grade estimate is the average assay of surface samples and trench exposures of the ironstones.

Table 1: JORC Mineral Resource of Mt. Garnet Project

TIN (Sn)	Measured tonnes	Grade %	Indicated tonnes	Grade %	Inferred tonnes	Grade %	**Total tonnes**	**Grade %**
Gillian	1,203,000	0.82	824,100	0.73	974,100	0.77	**3,001,200**	**0.78**
Pinnacles - Wafer	-	-	218,200	0.49	1,133,100	0.39	**1,351,300**	**0.41**
Pinnacles - Sniska	-	-	-	-	306,900	0.32	**306,900**	**0.32**
Pinnacles - Hartog	-	-	-	-	212,700	0.51	**212,700**	**0.51**
Deadmans Gully	-	-	401,500	0.49	-	-	**401,500**	**0.49**
Windermere	-	-	-	-	2,103,000	0.55	**2,103,000**	**0.55**
TOTAL	**1,203,000**	**0.82**	**1,443,800**	**0.63**	**4,729,800**	**0.54**	**7,376,600**	**0.60**

IRON (Fe)	Measured tonnes	Grade %	Indicated tonnes	Grade %	Inferred tonnes	Grade %	**Total tonnes**	**Grade %**
Gillian	1,203,000	31.35	824,100	29.75	974,100	27.67	**3,001,200**	**29.72**
Pinnacles - Wafer	-	-	218,200	20.21	1,133,100	27.88	**1,351,300**	**16.87**
Pinnacles - Sniska	-	-	-	-	306,900	22.90	**306,900**	**22.90**
Pinnacles - Hartog	-	-	-	-	212,700	13.75	**212,700**	**13.75**
Deadmans Gully	-	-	401,500	34.89	-	-	**401,500**	**34.89**
TOTAL	**1,203,000**	**31.35**	**1,443,800**	**29.73**	**2,626,800**	**26.08**	**5,273,600**	**25.78**

FLUORINE (F)	Measured tonnes	Grade %	Indicated tonnes	Grade %	Inferred tonnes	Grade %	**Total tonnes**	**Grade %**
Pinnacles - Wafer	-	-	-	-	348,300	18.54	**348,300**	**18.54**
Pinnacles - Sniska	-	-	-	-	306,900	12.00	**306,900**	**12.00**
Pinnacles - Hartog	-	-	-	-	212,700	15.50	**212,700**	**15.50**
Pinnacles - Llahsram	-	-	-	-	91,700	13.00	**91,700**	**13.00**
TOTAL	**-**	**-**	**-**		**959,600**	**15.25**	**959,600**	**15.25**

Central Mill Concept

The Company has lodged a mining lease application over the Central Mill area on 9th November 2009 and has commissioned environmental baseline studies.

The Company continues to develop the Central Mill site in parallel with developing the three key projects and finalising metallurgy and extraction optimisation.

Discussions with potential off take partners to develop project level funding for the mill construction are underway. Further details on the progress of these discussions and negotiations will be announced to the market as they become available.

Alluvial Tin

The Company holds a significant portion of the historic alluvial tin field in the Mt Garnet area, where JORC Compliant Resources and other alluvial mineralisation still remain. Upper Battle Creek has a current JORC Indicated Mineral Resource of 683,000 bank cubic metres (bcm) at 0.84 kg Sn/bcm and the Company sees this as its leading alluvial project. Environmental baseline studies have been completed and the next step is the state required Environmental Management Plan to be lodged. This alluvial mining operation will consist of an open cut mine without drill and blast costs, and management believes the project can be brought into production with relatively minimal capital outlay and in a short time frame. Discussions with potential joint venture partners for the alluvial tin mine project are progressing.

Metallurgy

The Mt Garnet skarn deposits have tin as cassiterite that is of fine size and closely associated with iron oxides. There are also other tin minerals that are acid soluble. These present challenges to the traditional recovery methods developed for coarse tin ore, but developments of high gravity centrifuges and improved and selective tin float chemicals have highlighted processing methods to successfully treat the Mt Garnet mineralisation. Test work to date has produced encouraging results (as was announced to the ASX on 22nd June 2010).

The Company's metallurgical test work has suggested that tin recovery of 68.15% total tin from the Mt Garnet project is achievable and with that recovery the Mt Garnet hard rock tin project could potentially produce a total of 3,049 tonnes of tin metal in concentrate per annum, on an initial throughput of 700,000 tonnes per annum. The tin concentrate into recovered into the gravity circuit has achieved some high grades which would be of interest to concentrate buyers. (Note: 700,000tpa was used for this study. Actual annual throughput has yet to be optimised, but is expected to be around 1mtpa.)

The project also contains a significant magnetite iron deposit, and the metallurgy program forecast a total of 326,000 tonnes of magnetite concentrate, grading higher than 65% iron, could be extracted per annum.

The Company views the metallurgical aspects of the project as being a key component of its development plans for the Mt Garnet project. The results further confirm the potential for the project to be developed into a large scale, low cost, hard rock tin mining operation.

Preliminary Scoping Study

The Company announced to ASX on 6 July 2010 the results from an in-house preliminary scoping study, conducted in conjunction with SEMF Pty Ltd (SEMF), on its Mt Garnet Tin Project in July 2010. SEMF examined the likely capital and operating costs based on the preliminary metallurgical design and other project information for the Mt Garnet Project.

Based on the preliminary process flowsheet, a likely baseline throughput was estimated at 700,000 tonne per annum. This baseline throughput was used for the purpose of equipment sizing and developing capital cost and operating cost estimates. SEMF estimated capital costs in the order of $124 million inclusive of a 10% contingency. (The estimate is considered to have an accuracy in the order of -20%/ + 30%). Operating cost estimates were reviewed by SEMF and a range of between $40-$50 per tonne of ore processed is considered a reasonable broad estimate for the purposes of the Scoping Study.

As part of the Scoping Study (and based on the SEMF estimates) indicative project net cash flows before tax for a range of tin ore prices were developed in-house. **At a tin price of AUD$18,000/t, the annual revenue for the project is projected to be near AUD$67,000,000, with net annual cash flow of AUD$32,650,000**.

The preliminary scoping study findings are not future revenue or operating forecasts. The scoping study is intended to give shareholders and potential investors an indication of the scope and magnitude of the Mt Garnet Tin Project. Net cash flows are pre-tax and do not include capital costs for constructing a treatment plant and mine site infrastructure. Freight and smelting costs are not included, estimates are subject to completion of resource drill out and more comprehensive studies that include detailed mine designs, metallurgical test work, plant design, site construction and detailed capital and operating cost analysis.

A portion of the Company's magnetite concentrate will go to coal washing sales, and a conservative average price of AUD$50/tonne has been estimated. Please refer to ASX announcement made on 6th July 2010 for full details of the scoping study and the revenue and cost assumptions used.

Future activities

The next major milestone will be the completion of a Bankable Feasibility Study (BFS) for the Mt Garnet project which will be the catalyst to secure funding for the Central Mill construction. Prior to this the Company plans to undertake a Pre-feasibility Study.

The Company also continues to investigate a number of options to secure further funding for the Company's ongoing activities, including continuing with advanced negotiations with JV partners to commence alluvial tin production.

Drilling on the Windermere hard rock project will commence in the coming months.

The metallurgical process flowsheet is still under development and metallurgy testwork will continue in order to further optimise individual processes within the tin recovery circuit.

Environmental management planning will continue both on the hard rock and alluvial mining lease application areas.

Competent person statement

The information contained in this report that relates to assay results of rock samples and drill chips, to mineral resource estimates and to ore reserve estimates of mineralisation has been compiled by John Sainsbury (BSc, AusIMM). John Sainsbury is a geologist of 30 years experience and has sufficient experience in the type of mineralisation under consideration to be a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - JORC Code, 2004 Edition. John Sainsbury is an executive director of Consolidated Tin Mines Limited. John Sainsbury has consented to the inclusion of this information in the form and context in which it appears.

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board supports the establishment and ongoing development of corporate governance framework to ensure that its practices are responsible and meet the needs of shareholders.

The Company officially listed on the Australian Securities Exchange on 26th February 2008 and operates in accordance with the principles of corporate governance as set out by the ASX Corporate Governance Council and as required by the ASX Listing Rules. The Directors have implemented policies and practices which they believe will focus their attention and that of their Senior Executives on accountability, risk management and ethical conduct. The policies were reviewed by the Board on 10 February 2009.

This Statement sets out the corporate governance practices in place as at the date of this report all of which comply with the principles and recommendations of the ASX Corporate Governance Council unless otherwise stated.

Corporate Governance Council Principle 1

Role of the Board of Directors

The Board guides and monitors the business and management of the Company on behalf of shareholders by whom they are elected and to whom they are accountable.

In order to fulfil this role, the Board is responsible for the overall corporate governance of the Company including formulating its strategic direction, setting remuneration and monitoring the performance of Directors and Executives. The Board relies on Senior Executives to assist it in approving and monitoring expenditure, ensuring the integrity of internal controls and management information systems and monitoring financial and other reporting.

The Board has adopted a **Board Charter** which clarifies the respective roles of the Board and senior management and assists in decision making processes, complying with recommendation 1.1 of the ASX Corporate Governance Council. A copy of the board charter is available on the Company's website at www.consolidatedtinmines.com.au.

Board Processes

The full Board currently holds scheduled meetings and at such other times as may be necessary.

An agenda for the meetings has been determined to ensure certain standing information is addressed and other items which are relevant to reporting deadlines and or regular review are scheduled when appropriate. The agenda is reviewed by the Managing Director.

Evaluation of Senior Executive Performance

Due to the early stage of development of the Company it is difficult for quantitative measures of performance to be established. As the Company progresses its projects, the Board intends to establish appropriate evaluation procedures. As such the Company does not comply with recommendation 1.2 of the ASX Corporate Governance Council.

Education

All senior employees and consultants are encouraged to attend professional education courses relevant to their roles.

Corporate Governance Council Principle 2

Board Composition

The Constitution of the Company provides that the number of Directors shall not be less than three. There is no requirement for any shareholding qualification.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include the quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the scope of activities of the Company, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

Directors are initially appointed by the Board and are subject to re-election by shareholders at the next general meeting. In any event one third of the Directors are subject to re-election by shareholders at each annual general meeting.

The Board is presently comprised of three members, one Non-Executive and two Executive.

Mr Ralph De Lacey
Chairman - Executive

Mr John Sainsbury
Executive Director

Mr Andrew Kerr
Non-Executive Independent

Directors are expected to bring independent views and judgement to the Board's deliberations. In considering whether or not a Director is independent the Board has regard to the independence criteria set out in recommendation 2.1 of the ASX Corporate Governance Council.

Only one of the three current Directors are considered to satisfy the test of independence as set out in the principles and recommendations, which means that recommendation 2.1 of the ASX Corporate Governance Council is not complied with.

The Chair was not independent and the Chair and Chief Executive Officer roles were exercised by the same individual during the financial year, and therefore the Company was not in compliance with recommendations 2.2 and 2.3 of the Corporate Governance Council. The Chairman and Chief Executive is not considered to be independent due to his significant shareholding.

The Board considers that both its structure and composition are appropriate given the size of the Company and that the interests of the Company and its shareholders are well met at present. The Company appointed Mr De Lacey to fulfil the role of Chair on an interim basis subsequent to the resignation of the prior Chairman.

The skills, experience and expertise of all Directors are set out in the Directors' details section of the Directors' Report on page 13.

The Company does not have a separate nomination committee as recommended in recommendation 2.4 of the Corporate Governance Council. The selection and appointment process for Directors is carried out by the full Board. The Board considers that given the importance of Board composition it is appropriate that all members of the Board participate in such decision making. The Board has adopted a procedure for the selection and appointment of Directors which is available on the Company's website under the Board Composition and Performance Evaluation Policy, adopted by the Board on 10 February 2009.

Evaluation of Board Performance

The Company has a formal process for the evaluation of the performance of the Board, adopted on 10 February 2009 and as such complies with recommendation 2.5 of the Corporate Governance Council. The Board is of the opinion that given the current level of activity of the Company a formal performance review would add little value at present and was not undertaken during the year.

The Board believes that the competitive environment in which the Company operates will effectively provide a measure of the performance of Directors. The Board will implement its formal Board review and evaluation process when it considers the Company's operations warrants such an implementation.

Education

All Directors are encouraged to attend professional education courses relevant to their roles.

Independent Professional Advice and Access to Information

Each Director has the right to access all relevant information in respect to the Company and to make appropriate enquiries of senior management. There is a Board approved procedure for Directors to obtain independent professional advice at the expense of the Company.

Corporate Governance Council Principle 3

Ethical and Responsible Decision Making

The Board actively promotes ethical and responsible decision making.

Code of Conduct

The Board has adopted a Code of Conduct that applies to Directors and key Executives of the Company. This Code addresses expectations for conduct in accordance with legal requirements and agreed ethical standards. A copy of the Code is available on the Company's website.

Securities Trading Policy

The Board is committed to ensuring that the Company, its Directors and Senior Executives comply with their legal obligations as well as conducting their business in a transparent and ethical manner. Directors and Senior Executives (including their immediate family or any entity for which they control investment decisions), must ensure that any trading in securities issued by the Company is undertaken within the framework set out in the **Securities Trading Policy**.

The Policy does not prevent Directors and Senior Executives (including their immediate family or any entity for which they control investment decisions) from participating in any share plan or share offers established or made by the Company, provided that at the time the individual is not in possession of any price sensitive information, not otherwise generally available to all security holders.

The Board has a policy which prohibits trading in the securities of the Company by Directors and Senior Executives and nominated employees prior to consent being obtained from the Chairman or Managing Director.

Corporate Governance Council Principle 4

Integrity in Financial Reporting

The full Board presently fulfils the role of an Audit Committee, as a result the Company does not comply with recommendations 4.1, 4.2 or 4.3 of the Corporate Governance Council. The Board has deemed that the whole Board is the most appropriate composition of Directors to consider financial reporting matters. It is envisaged that in due course an Audit Committee will be formed comprising independent Directors. The current independent Non-Executive Director Mr Andrew Kerr is available for correspondence with the auditors of the Company.

The Board reviews the performance of the external auditors on an annual basis and meets with them during the year to review findings and assist with Board recommendations.

The Board relies on Senior Executives to monitor the internal controls within the Company. Financial performance is monitored on a regular basis by the Managing Director who reports to the Board at the scheduled Board Meetings.

Corporate Governance Council Principle 5

Timely and Balanced Disclosure

The Board is committed to the promotion of investor confidence by providing full and timely information to all security holders and market participants about the Company's activities and to comply with the continuous disclosure requirements contained in the Corporations Act 2001 and the Australian Securities Exchange Listing Rules. The Company has adopted a **Continuous Disclosure Policy** designed to ensure compliance with the ASX Listing Rule Requirements.

Continuous disclosure is discussed at all regular Board meetings and on an ongoing basis the Board ensures that all activities are reviewed with a view to the necessity for disclosure to security holders.

In accordance with ASX Listing Rules the Company Secretary has been appointed as the Company's disclosure officer.

Corporate Governance Council Principle 6

Rights of Security Holders

Communications

The Board supports practices that provide effective and clear communications with security holders and allow security holder participation at general meetings. A formal **Shareholder Communications Policy** has been adopted.

In addition to electronic communication via the ASX web site, the Company publishes all ASX announcements together with all quarterly reports. These documents are available in both hardcopy on request and on the Company web site at www.consolidatedtinmines.com.au

The website provides shareholders and others interested in the Company the opportunity to receive additional information by registering to receive by email press releases and other materials posted to the website.

Shareholders are able to pose questions on the audit process and the financial statements directly to the independent auditor who attends the Company Annual General Meeting for that purpose.

Corporate Governance Council Principle 7

Recognise and Manage Risk

Risk management

The Board is responsible for supervising management's framework of control and accountability systems to enable risk to be assessed and managed. The Board and Senior Executives regularly review, where necessary in conjunction with external professional consultants, procedures in respect of compliance with and the maintenance of its statutory, legal, ethical and environmental obligations.

To assist in the management of risk the Board has adopted a **Risk Management Policy** complying with recommendation 7.1 of the ASX Corporate Governance Council**,** which is available on the Company's website.

The Board considers that sufficient procedures exist to allow the Board to identify material business risks and that internal controls are effective with respect to day to day management of operations, financial and statutory reporting and environmental and safety issues.

The Board has not requested that a formal risk management and internal control system be implemented and documented by management beyond the adoption of the Company's risk management policy. Accordingly the Board has received no such report on the effectiveness of the Company's management of its material business risks, therefore not complying with recommendation 7.2 of the ASX Corporate Governance Council. The Board intends to implement a formal risk management system as the business activity evolves and will receive reports as to the effectiveness of such controls and policies in future reporting periods.

The Board requires the Managing Director and the Company Secretary to provide a written statement that the financial statements of the Company present a true and fair view, in all material aspects, of the financial position and performance and have been prepared in accordance with Australian accounting standards and the Corporations Act. The Board also requires that the Managing Director and Company Secretary provide sufficient assurance that the declaration is founded on a sound system of risk management and internal control, and that the system is working effectively.

The statements have been received by the Board.

Corporate Governance Council Principle 8

Remunerate Fairly and Responsibly

The full Board determines all compensation arrangements for Directors. It is also responsible for setting performance criteria, performance monitors, share option schemes, superannuation entitlements, retirement and termination entitlements, and professional indemnity and liability insurance cover. The Board does not have a separate Remuneration Committee, therefore not complying with recommendation 8.1 of the ASX Corporate Governance Council. The Board considers that the Company is not currently of a size, nor its affairs of such complexity to justify a separate Remuneration Committee.

The Board ensures that all matters of remuneration will continue to be in accordance with Corporations Act requirements, by ensuring that none of the Directors participates in any deliberations regarding their own remuneration or related issues.

The Executive Directors and Senior Executives receive salary packages which may include performance based components designed to reward and motivate. Non-Executive Directors receive fees agreed on an annual basis by the Board. At present there are no performance based components included in the remuneration packages of either the Board members or other Senior Executives.

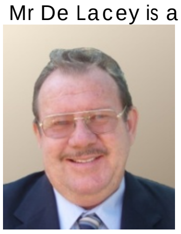
DIRECTORS' REPORT

The Directors present their report on Consolidated Tin Mines Limited (the Company) for the year ended 30 June 2010.

Directors

The names and details of the Directors of Consolidated Tin Mines Limited during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Ralph De Lacey MAICD
Executive Chairman (appointed Chairman 26 June 2009, appointed Managing Director 28 September 2007)



Mr De Lacey is an active miner and explorer in North Queensland. He operated successful large scale alluvial gold mining operations on the Palmer River Goldfields. Since 1999 he has been involved in mineral exploration projects throughout North Queensland. He is currently Managing Director of North Queensland Mining Enterprises Pty Ltd a mining project management company currently managing a variety of mining and exploration projects throughout North Queensland and Managing Director of eXpand Software Pty Ltd, an IT software development company.

Mr De Lacey is currently in his twelfth term as President of the influential lobby group, North Queensland Miners Association Inc. and current President of the Queensland Small Miners Council. Mr De Lacey has not been a Director of any other listed company in the last 3 years.

John Sainsbury B.Sc (Hons) MAusIMM MAICD
Executive Director (appointed 28 September 2007)

Mr Sainsbury is a geologist of over 30 years experience. He graduated with a BSc(Hons) from Sydney University in 1976 and has been actively involved in the mining industry since. John has worked for small to large public companies and worked in exploration, underground and open-pit operations. He has worked as mine geologist, project geologist and exploration manager and he brings experience in not only technical matters but also the handling of workplace safety and environmental issues to do with exploration and mining.

Mr Sainsbury has run his own geological consulting company for a number of years, and worked in all Australian states and also overseas, and has a particular interest and experience in tin in North Queensland. Mr Sainsbury has not been a Director of any other listed company in the last 3 years.

Andrew Kerr LLB (Hons) B.Sc
Non-Executive Director (appointed 28 September 2007)

Mr Kerr has been a solicitor of the Supreme Court since 1995. He has specialist expertise in Native Title and Cultural Heritage, Planning and Environment and Mining Law.

Mr Kerr has advised Miners, Government and Government owned corporations and landholders in relation to native title, cultural heritage, environmental and other statutory compliance obligations. He has worked on some of the region's major infrastructure projects. Mr Kerr has not been a Director of any other listed company in the last 3 years.

Company Secretary

Kevin Hart

Mr Hart is a Chartered Accountant and was appointed to the position of Company Secretary on 28 September 2007. He has over 20 years experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm which specialises in the provision of company secretarial services to ASX listed entities.

Directors' Interests

As at the date of this report the Directors' interests in shares and unlisted options of the Company are as follows:

Director	*Directors' Interests in Ordinary Shares*	*Directors' Interests in Unlisted Options*
Ralph De Lacey	10,300,000	4,725,000
John Sainsbury	8,774,426	4,005,000
Andrew Kerr	20,000	10,000

Included in the Directors' interests in unlisted options are the following options, expiring 31 December 2013, that have vested and are able to be exercised.

Director	*Number of options*	*Exercise price*
Ralph De Lacey	4,725,000	$0.20
John Sainsbury	4,005,000	$0.20
Andrew Kerr	10,000	$0.20

Directors' Meetings

The number of meetings of the Company's Directors held during the year ended 30 June 2010, whilst each Director was in office, and the numbers of meetings attended by each Director were:

Director	*Board of Directors' Meetings Eligible to Attend*	*Attended*
Ralph De Lacey	12	12
John Sainsbury	12	12
Andrew Kerr	12	11

Principal Activities

The principal activities of the Company during the financial year consisted of tin exploration and development in Queensland.

There were no significant changes in these activities during the financial year.

Results of Operations

The net loss after income tax for the financial year was $354,468 (2009: $505,237).

During the year the Company completed a share placement of 8,426,000 ordinary fully paid shares, raising $842,600 before costs.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

Review of Activities

Operations

The main focus of the Company's operations for the year has been on progressing metallurgical studies of its Mt Garnet Tin Project resource and the development of a process flow sheet and independent scoping study, which was based on the Company's JORC Mineral Resource at the date of release of 5.3Mt. Since the end of the year the Company has been successful in the grant of the Mineral Development Licence for the Windermere Project which has increased the JORC Mineral Resource by a further 2.1Mt.

During the financial year management has continued to develop its Central Mill Concept to exploit its Mt Garnet Tin Project and will be proceeding with a pre-feasibility study for the project in the coming year.

A more detailed review of the Company's operations is set out in the section titled "Review of Operations" in this Annual Report.

Financial Position

At the end of the financial year the Company had $270,659 (2009: $1,239,031) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure was $2,901,924 (2009: $1,655,570).

Expenditure on exploration and acquisition of tenements during the year was $1,318,416.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial year.

Options Over Unissued Capital

Unlisted Options

During the financial year the Company granted no options (2009: 800,000) over unissued shares to employees of the Company. During the financial year 200,000 (2009: Nil) unlisted options expiring 31 March 2011 and exercisable at 12 cents each were cancelled on cessation of employment of the recipient.

Llisted Options

The Company granted 8,426,000 listed options (2009: nil) over unissued shares free attaching to shares in the Company subscribed for in a share placement completed during the financial year. The options issued are on the same terms as existing listed options (ASX code CSDO) and are exercisable by payment of 20 cents each on or before 31 December 2013. During the financial year no listed options were cancelled or expired.

During the year 10 ordinary shares have been issued on the exercise of listed options. The options were exercised at $0.20 each.

No options have been granted, exercised, cancelled or expired since 30 June 2010.

As at the date of this report unissued ordinary shares of the Company under option are:

Number of Options Granted	***Exercise Price***	***Expiry Date***
43,474,990 *	20.0 cents	31 December 2013
600,000 *	12.0 cents	31 March 2011

* Options fully vested

The holders of options are not entitled to any voting rights nor may they participate in any share issue of the Company, until the options are exercised.

Matters Subsequent to the End of the Financial Year

- On 6 July 2010 the Company published its preliminary scoping study of the Mt Garnet Tin Project;
- On 3 August 2010 the Company closed its non-renounceable entitlement offer raising $148,044 by the issue of 3,701,106 ordinary fully paid shares at $0.04 each. On 10 September 2010 a further 525,000 of the Offer shortfall shares were issued;
- On 7 September 2010 the Company announced that its Windermere tin project had been granted. The grant of the mineral development licence resulted in the increase of JORC Mineral Resources at the Company's Mt Garnet Tin Project by 2.1Mt @ 0.55% tin;
- The Company completed a private placement of 8,700,000 shares at $0.025 each on 10 September 2010. Attaching to the placement are 8,700,000 options on a one for one basis that will be issued subject to shareholder approval. The options are exercisable at $0.05 each on or before 31 August 2013.

Other than the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company are included elsewhere in this Annual Report. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors, to do so would be likely to prejudice the business activities of the Company and is dependent upon the results of the future exploration and evaluation.

Environmental Regulation and Performance

The Company holds various exploration licences that regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of the Company's exploration activities.

At the date of this report no agency has notified the Company of any environmental breaches during the financial year nor are the Directors aware of any environmental breaches.

Remuneration Report (Audited)

Remuneration Policy

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and Senior Executives. The Board assesses the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. Remuneration packages comprise fixed remuneration and may include bonuses or equity based remuneration entirely at the discretion of the Board based on the performance of the individual.

At the date of this report the Company has not entered into any agreements with Directors or Senior Executives which include performance based components. As such there is no relationship between the Company's financial results, market price of its equity securities, dividends declared or paid during the financial period, or other capital returns to shareholders to the remuneration paid to Directors or Senior Executives. The Board considers that the performance of Directors at the current stage of the Company's development is measurable by physical results of exploration and the focus has been to secure the services of Directors at this stage. No options were issued to Directors or senior executives during the financial year in respect of remuneration.

Key Management Personnel

The following Directors and Senior Executives were Key Management Personnel of the Company during the financial year:

Managing Director
Ralph De Lacey

Executive Director
John Sainsbury

Non-Executive Directors
Andrew Kerr

There were no other persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the financial year. Other than the appointments stated above, there were no changes of Key Management Personnel between the reporting date and the date the

Details of Remuneration for Directors and Executive Officers

During the year there were no other Senior Executives, other than as stated below, which were employed by the Company for whom disclosure is required. There were only two executive directors or officers of the company during the reporting period. Details of the remuneration of each Director of the Company, and identified Company Executive, are as follows:

		Short Term		***Post Employment***	***Share Based Payments***	
		Base Emolument $	***Other Benefits $***	***Superannuation Contributions $***	***Value of Options $***	***Total $***
Directors						
R De Lacey	**2010**	**168,761**	**-**	**13,838**	**-**	**182,599**
	2009	150,000	-	13,500	-	163,500
J Sainsbury (i)	**2010**	**168,588**	**-**	**-**	**-**	**168,588**
	2009	163,500	-	-	-	163,500
A Kerr	**2010**	**32,109**	**-**	**2,888**	**-**	**34,997**
	2009	35,000	-	3,150	-	38,150
P O'Connor *(resigned 26/6/09)*	2009	38,051	-	3,425	-	41,476
Total	**2010**	**369,458**	**-**	**16,726**	**-**	**386,184**
	2009	386,551	-	20,075	-	406,626
Company Executives						
K Hart (Company Secretary)*	**2010**	**-**	**70,380**	**-**	**-**	**70,380**
	2009	-	57,844	-	-	57,844

* Paid to Endeavour Corporate Pty Ltd, an entity Mr K Hart is a principal of, for the provision of company secretarial and accounting services.

(i) During the financial year the Company incurred expenses of $168,951 (2009: $163,500) with John Sainsbury Consultants Pty Ltd, a company associated with Mr Sainsbury, in respect of consultancy services.

There has been no element of Director or Senior Executive remuneration based on performance.

Service Agreements

The Company has the following service agreements with Key Management Personnel:

An employment agreement with Ralph De Lacey dated 18 January 2010, for Managing Director services from Mr De Lacey which has a fixed term of 12 months, commencing 26 February 2010. The Company will pay Mr De Lacey $165,000 plus statutory superannuation per annum. The Company may terminate the contract subject to a 3 month notice period plus an additional payment equivalent to 9 months salary.

An agreement for the provision of contract consultancy services with John Sainsbury dated 18 January 2010 which has a fixed term of 12 months, commencing 26 February 2010. The Company will pay John Sainsbury Consultants Pty Ltd $179,850 per annum. The Company may terminate the contract subject to a 3 month notice period.

Unlisted Options

Unlisted Options provided as remuneration and shares issued on exercise of such options

No options were issued to Directors or other senior executives as remuneration during the reporting period.

Additional Information

Company performance

The table below shows the performance of the Company as measured by the movement in its share price and change in market capitalisation over the financial periods since registration.

	30 June 2010	30 June 2009	30 June 2008 (period)
A$ per share	**$0.04**	$0.04	$0.11
A$ Market Capitalisation	**$2,180,960**	$1,843,920	$5,070,780
A$ Loss for year/period	**$(354,468)**	$(505,237)	$(335,535)

End of Audited Remuneration Report

Officers' Indemnities and Insurance

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors and the Company Secretary named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not entered into any agreement to indemnify or insure any auditor of the Company.

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.

Corporate Governance

The Directors recognise the need for the highest standards of corporate behaviour and accountability, and the Company's Corporate Governance Statement is contained in the annual report.

Non-audit Services and Auditor's Independence Declaration

During the 2010 financial year BDO (NTH QLD), the Company's auditor, has not provided any non-audit services in addition to their statutory duties, other than disclosed below:

	2010 $	2009 $
Taxation and other services	**4,200**	3,900
Total fees for non-audit services	**4,200**	3,900

The Directors are satisfied that the provision of non-audit services during the year, by the auditor (or by another person or firm on behalf of the auditor) is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001. The Directors have considered the nature and value of the non-audit services provided by the related practice of the auditor and do not consider the provision of the services to compromise the principles of auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on page 19.

This report is made in accordance with a resolution of the Directors.

DATED at Cairns this 27th day of September 2010.

Ralph De Lacey

Ralph De Lacey

Executive Chairman

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DECLARATION OF INDEPENDENCE BY GREG MITCHELL TO THE DIRECTORS OF CONSOLIDATED TIN MINES LIMITED

As lead auditor of Consolidated Tin Mines Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

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

GREG MITCHELL

Partner

BDO

BDO (NTH QLD)

Cairns, 27 September 2010

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30th of June 2010

	Note	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
Revenue	5	**39,146**	126,418
Total revenue and other income		**39,146**	126,418
Depreciation and amortisation expenses	6	**(19,192)**	(22,215)
Marketing expenses		**(109,217)**	(49,652)
Occupancy expenses		**(25,065)**	(16,650)
Administrative expenses		**(249,263)**	(174,879)
Employee expenses	6	**(213,971)**	(212,059)
Corporate and other expenses		**(48,457)**	(156,200)
Exploration costs expensed	11	**(72,062)**	-
Loss before income tax		**(698,081)**	(505,237)
Income tax (expense)/benefit	7	**343,613**	-
Loss for the year	17	**(354,468)**	(505,237)
Other comprehensive income		**-**	-
Total comprehensive income for the year attributable to members of the parent entity		**(354,468)**	(505,237)
Earnings per share for loss attributable to the ordinary equity holders of the parent entity.		**Cents**	**Cents**
Basic loss per share	27	**(0.7)**	(1.1)
Diluted loss per share	27	**(0.7)**	(1.1)

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

STATEMENT OF FINANCIAL POSITION

As at 30th of June 2010

	Note	As at 30 June 2010 $	As at 30 June 2009 $
ASSETS			
Current assets			
Cash and cash equivalents	8	**270,659**	1,239,031
Trade and other receivables	9	**237,420**	54,293
Total current assets		**508,079**	1,293,324
Non-current assets			
Property, plant and equipment	10	**242,935**	222,183
Exploration and evaluation assets	11	**2,901,924**	1,655,570
Bonds and deposits	12	**12,500**	7,500
Total non-current assets		**3,157,359**	1,885,253
Total assets		**3,665,438**	3,178,577
LIABILITIES			
Current liabilities			
Trade and other payables	13	**197,562**	145,704
Employee leave liabilities	14	**39,471**	14,085
Total current liabilities		**237,033**	159,789
Total liabilities		**237,033**	159,789
Net assets		**3,428,405**	3,018,788
EQUITY			
Contributed equity	15	**4,453,154**	3,691,167
Accumulated losses	17	**(1,195,240)**	(840,772)
Equity compensation reserve	17	**170,491**	168,393
Total equity		**3,428,405**	3,018,788

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30th of June 2010

	Contributed equity $	Accumulated losses $	Equity compensation reserve $	Total $
As at 1 July 2008	3,691,167	(335,535)	160,000	3,515,632
Total comprehensive income for the year:				
Loss for the year	-	(505,237)	-	(505,237)
Other comprehensive income	-	-	-	-
	-	(505,237)	-	(505,237)
Transactions with owners in their capacity of owners:				
Share issues	-	-	-	-
Share issue costs	-	-	-	-
Share based payments	-	-	8,393	8,393
As at 30 June 2009	3,691,167	(840,772)	168,393	3,018,788
As at 1 July 2009	**3,691,167**	**(840,772)**	**168,393**	**3,018,788**
Total comprehensive income for the year:				
Loss for the year	**-**	**(354,468)**	**-**	**(282,406)**
Other comprehensive income	**-**	**-**	**-**	**-**
	-	**(354,468)**	**-**	**(282,406)**
Transactions with owners in their capacity of owners				
Share issues	**842,602**	**-**	**-**	**842,602**
Share issue costs	**(80,615)**	**-**	**-**	**(80,615)**
Share based payments	**-**	**-**	**2,098**	**2,098**
As at 30 June 2010	**4,453,154**	**(1,195,240)**	**170,491**	**3,500,467**

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

STATEMENT OF CASH FLOWS

For the financial year ended 30th of June 2010

	Note	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
Cash flows from operating activities			
Interest received		**51,296**	176,194
Research and development tax concession refund		**150,867**	-
Payments to suppliers and employees		**(663,928)**	(495,103)
Net cash used in operating activities	26	**(461,765)**	(318,909)
Cash flows from investing activities			
Payments for property, plant and equipment		**(39,943)**	(20,059)
Exploration expenditure		**(1,297,875)**	(1,201,107)
Proceeds from security deposits		**5,000**	53,500
Payments for security deposits		**(10,000)**	-
Net cash used in investing activities		**(1,342,818)**	(1,167,666)
Cash flows from financing activities			
Proceeds from the issue of shares		**842,602**	-
Funds received in advance of issue of shares – entitlement issue		**74,224**	-
Payments for transaction costs relating to share issues		**(80,615)**	-
Net cash from financing activities		**836,211**	-
Net decrease in cash and cash equivalents		**(968,372)**	(1,486,575)
Cash and cash equivalents at the beginning of the year	8	**1,239,031**	2,725,606
Cash and cash equivalents at the end of the financial year	8	**270,659**	1,239,031

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30th of June 2010

Note 1 Corporation information and summary of significant accounting policies

Consolidated Tin Mines Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements include financial statements for Consolidated Tin Mines Limited as parent entity. The financial statements also materially represent the consolidated entity, as the subsidiary company has been dormant throughout the entire current and comparative reporting period. Consolidated financial statements and separate parent entity disclosures have not been prepared. Disclosures in this report applicable to the parent entity (Company) are also applicable to the Consolidated Entity.

The financial statements of Consolidated Tin Mines Limited (the Company) were authorised for issue in accordance with a resolution of Directors on 27th September 2010.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS)), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), including Australian Accounting Interpretations and the Corporation Act 2001.

The financial statements are presented in Australian dollars.

Going concern basis for preparation of financial statements

These financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The ability of the Company to continue to adopt the going concern assumption will depend on future successful capital raisings, the successful exploration and subsequent exploitation of the Company's tenements and/or sale of non-core assets. Should the Company not be successful in raising additional funding by capital raisings or other alternative funding arrangements fail to eventuate, there is uncertainty as to whether the Company will be able to continue as a going concern. If the Company is unable to continue as a going concern, it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts that may be different to those stated in the financial statements.

The directors are cognisant of the fact that future exploration and administration activities are constrained by available cash assets, and believe that the current cash reserves of the Company are sufficient to fund forecast exploration.

The Directors are confident of securing funds if and when necessary to meet the Company's obligations as and when they fall due, and consider the adoption of the going concern basis to be appropriate in the preparation of these financial statements.

Statement of compliance

The financial statements comply with International Financial Reporting Standards (IFRS).

Changes in accounting policies on initial application of Accounting Standards

During the year, certain accounting policies have changed as a result of new or revised accounting standards which became operative for the annual reporting period commencing on 1 July 2009.

The affected policies and standards, relevant to the Company are:

- Principles of consolidation – revised AASB 127 *Consolidated and Separate Financial Statements and changes made by AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity and Associate*
- Business combinations – revised AASB 3 *Business Combinations*
- Segment reporting – new AASB 8 *Operating Segments*
- Financial Instruments – revised AASB 7 *Financial Instruments: Disclosures*
- Borrowing Costs – revised AASB 123 *Borrowing Costs*
- Presentation of Financial Statements – AASB101

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2010. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

Historical cost convention

These financial statements have been prepared on a historical cost basis, except for the revaluation of available for sale financial assets and of financial assets and liabilities (including derivative instruments) at fair value through profit and loss.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Segment reporting

Operating segments are identified and segment information disclosed, where appropriate, on the basis of internal reports reviewed by the Company's board of directors, being the Chief Operating Decision Maker, as defined by AASB 8. Adoption of AASB 8 has not resulted in a redefinition of previously reported operating segments.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. ***Interest income***

Interest income is recognised as it accrues using the effective interest 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.

Income tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. In addition, no deferred tax is recognised in respect of goodwill.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying value of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realised.

Unrecognised deferred tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax amounts attributable to amounts recognised directly in equity are also recognised directly in equity.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets, and the arrangement conveys the right to use the asset.

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, at the inception of the lease are transferred to entities in the entity are classified as finance leases.

Finance leases are capitalised at inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are apportioned between the reduction in the lease liability and the finance charge, so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the profit and loss.

Leases (continued)

Capitalised leased assets are depreciated on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership of the asset by the end of the term.

Leases are classified as operating leases where substantially all the risks and benefits remain with the lessor. Payments in relation to operating leases are recognised as expenses in the statement of comprehensive income on a straight line basis over the lease term.

Lease incentives under operating leases are recognised in the statement of comprehensive income as an integral part of the total lease expense.

Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Fair value estimation

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

i. ***Investments in equity and debt securities***

The fair value of financial assets at fair value through profit or loss, held to maturity investments and available for sale financial assets is determined by reference to their quoted bid price at the reporting date. The fair value of held to maturity investments is determined for disclosure purposes only. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Trade and other receivables

The fair value of trade and other receivables, excluding construction work in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the written down value method or straight line method to allocate their cost, net of residual values, over their estimated useful lives, as follows:

Buildings	5% straight line
Office equipment and fittings	20% written down value
Motor vehicles	25% written down value
Site equipment	20% written down value

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised on disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the year the asset is derecognised.

Mineral exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Company's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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.

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

Restoration policy

Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Typically the obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwinding of the effect of discounting on the provision is recorded as a finance cost in the statement of comprehensive income. The carrying amount capitalised in mining equipment is depreciated over the life of the related asset.

Costs incurred that relate to an existing condition caused by past operations, and do not have a future economic benefit are expensed as incurred.

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 the restoration will be completed within one year of abandoning the site.

Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured and usually paid within 30 days of recognition.

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 and are measured at the amounts expected to be paid when the liabilities are settled.

*ii. **Long service leave***

The liability for long service leave is recognised in the provision for employee benefits 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 salaries, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*iii. **Share based payments***

Share based compensation payments are made available to Directors and employees.

The fair value of unlisted options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

i. ***Basic earnings per share***

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. ***Diluted earnings per share***

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and service 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 a part of the expense.

Goods and service tax (GST) (continued)

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 statement of financial position.

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.

Trade and other receivables

Trade and other receivables are recognised and carried at original invoice amount less any allowance for any uncollectible amounts. An allowance for a doubtful debt is made when there is objective evidence that the Company will not be able to collect the debt. Bad debts are written off when identified.

Investments and other financial assets

Financial assets in the scope of AASB139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e. the date that the Company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments included to be held for an undefined period are not included in this classification.

Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and that a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Impairment of financial assets

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

Note 2 Financial risk management

The Company has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Company's exposure to the specific risks, and the policies and processes for measuring and managing those risks. The Board of Directors has the overall responsibility for the risk management framework and has adopted a Risk Management Policy.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

i. ***Trade and other receivables***
The Company has no investments and the nature of the business activity of the Company does not result in trading receivables. The receivables that the Company does experience through its normal course of business are short term and the risk of non recovery of receivables is considered to be negligible.

ii. ***Cash deposits***
The Company's primary banker is Bendigo Bank Limited. At balance date predominantly all operating accounts and funds held on deposit are with this bank. The Directors believe any risk associated with the use of only one bank is mitigated by their size and reputation. Except for this matter the Company currently has no significant concentrations of credit risk.

iii. ***Bonds and deposits***
The Company has bonds on deposit with Queensland State Government departments in respect of environmental and other exploration and mining related requirements. The Company considers assets held under these bond arrangements to be exposed to minimal credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Company's current and future operations, and consideration is given to the liquid assets available to the Company before commitment is made to future expenditure or investment.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

Interest rate risk
The Company has significant cash assets which may be susceptible to fluctuations in changes in interest rates. Whilst the Company requires the cash assets to be sufficiently liquid to cover any planned or unforeseen future expenditure, which prevents the cash assets being committed to long term fixed interest arrangements; the Company does mitigate potential interest rate risk by entering into short to medium term fixed interest investments.

The Company does not have any direct contact with foreign exchange or equity risks other than their effect on the general economy.

d) Capital management

The Company considers its capital to comprise its ordinary share capital net of capital raising costs, equity compensation reserve and accumulated losses.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board considers the balance between equity and borrowings before making funding decisions with the aim of maintaining a strong capital base. The Board of directors does not monitor the return on capital as in their opinion it does not reflect the measure of success of an exploring company. The Company does not plan to purchase its own shares on the market, pay or declare dividends to shareholders or make any other capital return, in its current phase as an exploration company.

Refer to Note 15 for the carrying amount of ordinary share capital.

Note 3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

a) Accounting for capitalised mineral exploration and evaluation expenditure

The Company's accounting policy is stated at note 1. A regular review is undertaken of each area of interest to determine the reasonableness of the continuing carrying forward of costs in relation to that area of interest.

b) Deferred tax assets

The Company does not recognise its deferred tax assets as it is improbable in the short to medium term that these assets will be realised.

Note 4 Segment information

The Company has identified its operating segments 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 Company is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the Board. The Company does not have any products/services that it derives revenue from. Accordingly, management currently identifies the Company as only having one reportable segment, being exploration for tin minerals. There have been no changes to the operating segment during the financial year. All significant operating decisions are based upon analysis of the entity as a single segment. The financial results of this segment are represented by financial statements of the entity.

Note 5 Revenue and other income

	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
a) Revenue		
Interest received from financial institutions	**39,146**	126,418

Note 6 Expenses

	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
Loss before income tax includes the following specific expenses:		
Depreciation:		
Buildings	**5,000**	5,000
Office equipment	**3,682**	3,747
Motor vehicles	**9,448**	12,597
Site equipment	**1,062**	871
	19,192	22,215
Employee expenses:		
Wages, salaries and fees	**170,347**	176,002
Superannuation	**14,094**	15,371
Share based payments expense	**2,098**	8,393
Other employee expenses	**27,432**	12,293
	213,971	212,059

Note 7 Income tax

	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
a) Income tax expense/(benefit)		
Current income tax:		
Current income tax benefit	**(558,175)**	(503,027)
Current income tax benefit not recognised	**81,964**	222,130
Research and development tax concession refund	**(343,613)**	-
Deferred income tax:		
Relating to deductible and taxable temporary differences	**476,211**	280,897
Income tax expense/(benefit)	**(343,613)**	-
b) Reconciliation of prima facie tax benefit		
Loss before income tax	**(698,081)**	(505,237)
Tax at the Australian rate of 30% (2009: 30%)	**(209,424)**	(151,571)
Tax effect:		
Other	**127,460**	(70,559)
Deferred tax asset not recognised	**81,964**	222,130
Research and development tax concession refund	**(343,613)**	-
Income tax (benefit)/expense	**(343,613)**	-
c) Deferred tax		
Assets		
Tax losses available to offset against future taxable income	**751,038**	269,446
Accrued expenses	**14,993**	5,775
Employee leave liabilities	**11,841**	4,226
Trade creditors	**-**	30,938
Non deductible equity raising costs – recognised in the income statement	**-**	1,282
Non deductible equity raising costs – recognised in equity	**95,855**	113,478
	873,727	425,145
Liabilities		
Accrued income	**-**	(3,954)
Capitalised exploration and evaluation expenditure	**(870,577)**	(421,191)
Prepaid expenses	**(3,150)**	-
	(873,727)	(425,145)
Net deferred tax asset	**-**	-
d) Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
Tax losses	**325,519**	398,650
	325,519	398,650

Deferred tax assets have not been recognised in respect of these items because it is not probable in the short to medium term that these assets will be realised.

Note 8 Current assets - Cash and cash equivalents

	2010 $	2009 $
Cash at bank and in hand	**270,659**	239,031
Deposits at call	**-**	1,000,000
	270,659	1,239,031

Reconciliation to cash and cash equivalents at the end of the year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows.

	2010 $	2009 $
Balances as above	**270,659**	1,239,031
Balance per statement of cash flows	**270,659**	1,239,031

Cash at bank and in hand and deposits at call earn interest at floating rates based on daily bank deposit rates and short term fixed rates.

Note 9 Current assets – Trade and other receivables

	2010 $	2009 $
Receivables:		
GST recoverable	**34,174**	32,369
Accrued income	**192,746**	13,180
Prepaid expenses	**10,500**	8,744
	237,420	54,293

Accrued income includes $192,746 (2009: nil) in respect of a research and development tax concession refund in respect of the 30 June 2010 financial year.

Note 10 Non-current assets – Property, plant and equipment

	2010 $	2009 $
Land & Buildings		
At cost	**199,577**	171,738
Accumulated depreciation	**(11,250)**	(6,250)
	188,327	165,488
Office equipment and fittings		
At cost	**30,096**	19,892
Accumulated depreciation	**(8,396)**	(4,715)
	21,700	15,177
Motor vehicles		
At cost	**53,747**	53,747
Accumulated depreciation	**(25,404)**	(15,956)
	28,343	37,791
Site equipment		
At cost	**6,604**	4,703
Accumulated depreciation	**(2,039)**	(976)
	4,565	3,727
	242,935	222,183

Note 10 Non-current assets – Property, plant and equipment (continued)

	2010 $	2009 $
Reconciliation		
Land & Buildings		
Carrying amount at start of the year	**165,488**	155,070
Additions	**27,839**	15,418
Depreciation	**(5,000)**	(5,000)
Carrying amount at end of the year	**188,327**	165,488
Office equipment and fittings		
Carrying amount at start of the year	**15,177**	18,470
Additions	**10,204**	454
Depreciation	**(3,681)**	(3,747)
Carrying amount at end of the year	**21,700**	15,177
Motor vehicles		
Carrying amount at start of the year	**37,791**	50,388
Additions	**-**	-
Depreciation	**(9,448)**	(12,597)
Carrying amount at end of the year	**28,343**	37,791
Site equipment		
Carrying amount at start of the year	**3,727**	3,636
Additions	**1,901**	962
Depreciation	**(1,063)**	(871)
Carrying amount at end of the year	**4,565**	3,727
	242,935	222,183

The land and buildings have been pledged as security for environmental bonds.

Note 11 Non-current assets – Exploration and evaluation assets

	2010 $	2009 $
In the exploration and evaluation phase		
Cost brought forward	**1,655,570**	522,355
Exploration expenditure incurred during the year at cost	**1,318,416**	1,133,215
Previously capitalised exploration costs written off	**(72,062)**	-
Cost carried forward	**2,901,924**	1,655,570

The recoverability of the carrying amount of the exploration and avaluation assets is dependent upon successful development and commercial exploitation, or alternatively sale of the respective areas of interest. No exploration assets have been pledged as security by the Company.

Note 12 Non-current assets – Bonds and deposits

	2010 $	2009 $
Bonds and deposits	**12,500**	7,500

The bonds act as security for environmental bonds over tenements on which the Company has worked or is currently working.

Note 13 Current liabilities – Trade and other payables

	2010 $	2009 $
Trade payables and accruals	**84,824**	133,390
Other payables	**38,514**	12,314
Share subscription liability	**74,224**	-
	197,562	145,704

Trade payables and accruals are non-interest bearing and normally settled on 30 day terms.

Details of the Company's exposure to interest rate and liquidity risks, and fair value in respect of its liabilities are set out in note 18. There are no secured liabilities as at 30 June 2010.

Due to the short term nature of the Company's payables, the carrying amount is assumed to approximate their fair value .

Note 14 Current liabilities – Employee leave liabilities

	2010 $	2009 $
Annual leave liability	**39,471**	14,085

Note 15 Contributed equity

Share capital

	2010		2009	
	No.	$	No.	$
Issued share capital – fully paid	**54,524,011**	**4,453,154**	46,098,001	3,691,167

Share movements during the year

	Issue price (cents)	2010		2009	
		No.	$	No.	$
At the beginning of the year		**46,098,001**	**3,691,167**	46,098,001	3,691,167
Share placement	*10.0*	**8,426,000**	**842,600**	-	-
Issued on exercise of listed options	*20.0*	**10**	**2**	-	-
Less: costs related to shares issued	-	**-**	**(80,615)**	-	-
At the end of the year		**54,524,011**	**4,453,154**	46,098,001	3,691,167

Ordinary shares

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital. The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Option plan

Information relating to options issued by the Company is set out in note 16.

The Company has an incentive option plan open to eligible employees and contractors. Options over unissued shares are issued at the discretion of the Board.

Note 16 Options

The options are granted free of charge and are exercisable at a fixed price in accordance with the terms of the grant.

a) Options issued, granted and lapsed during the year

During the financial year the Company granted 8,426,000 (2009: 800,000) options over unissued shares as follows:

Number of Options Granted	*Exercise Price*	*Expiry Date*
8,426,000	20.0 cents	31 December 2013

During the year 10 listed options over unissued shares were exercised.

During the year 200,000 unlisted options over unissued shares lapsed unexercised.

b) Options on issue at the balance date

The number of options outstanding over unissued ordinary shares at 30 June 2010 is 44,074,990 (2009: 35,849,000). The terms of these options are as follows:

Number of Options Outstanding	*Exercise Price*	*Expiry Date*
43,474,990 (listed) *	20.0 cents	31 December 2013
600,000 (unlisted) *	12.0 cents	31 March 2011

* Options fully vested

The weighted average contractual life for options outstanding at the end of the reporting year is 41.6 months.

Reconciliation of movement of options over unissued shares during the year including weighted average exercise price (WAEP)

	2010		2009	
	No.	WAEP (cents)	No.	WAEP (cents)
Options outstanding at the start of the year	**800,000**	**12.0**	-	-
Options granted during the year	**-**	**-**	800,000	12.0
Options exercised during the year	**-**	**-**	-	-
Options expiring unexercised during the year	**(200,000)**	**12.0**	-	-
Options outstanding at the end of the year	**600,000**	**12.0**	800,000	12.0

c) Subsequent to the balance date

No options have been granted or exercised subsequent to the balance date and prior to the date of signing this report.

Note 17 Reserves and accumulated losses

	2010		2009	
	Accumulated losses $	Equity compensation reserve (i) $	Accumulated losses $	Equity compensation reserve (i) $
Balance at the start of the financial year	**(840,772)**	**168,393**	(335,535)	160,000
Loss for year	**(354,468)**	**-**	(505,237)	-
Recognition of options issued	**-**	**2,098**	-	8,393
Balance carried forward at the end of the financial year	**(1,195,240)**	**170,491**	(840,772)	168,393

Note 17 Reserves and accumulated losses (continued)

(i) Equity compensation reserve

The equity compensation reserve is used to recognise the fair value of options issued but not exercised. Included in the expense recognised for the year is an amount of $2,098 in respect of unlisted options issued to employees vesting during the year (2009: $8,393).

Note 18 Financial instruments

a) Credit risk

The Directors do not consider that the Company's financial assets are subject to anything more than a negligible level of credit risk. Cash is held with a credit worthy high quality Australian financial institution. The carrying amounts disclosed in the statement of financial position represent the maximum exposure to credit risk for the financial assets.

b) Impairment losses

The Directors do not consider that any of the Company's financial assets are subject to impairment at the reporting date. No impairment expense or reversal of impairment charge has occurred during the year.

c) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, note 2(b):

2010	Carrying amount $	Contractual cash flows $	6 months or less $	6-12 months $	1-2 years $	2-5years $	More than 5 years $
Trade and other payables	**84,824**	**84,824**	84,824	-	-	-	-
	84,824	**84,824**	84,824	-	-	-	-

2009	Carrying amount $	Contractual cash flows $	6 months or less $	6-12 months $	1-2 years $	2-5years $	More than 5 years $
Trade and other payables	133,391	133,391	133,391	-	-	-	-
	133,391	133,391	133,391	-	-	-	-

d) Interest rate risk

At the reporting date the interest profile of the Company's interest-bearing financial instruments was, note 2(c):

	Carrying amount ($) 2010	2009
Variable rate instruments		
Cash and cash equivalents	**270,659**	1,239,031

Note 18 Financial instruments (continued)

e) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

2010	Profit or loss		Equity	
	100bp increase $	100bp decrease $	100bp increase $	100bp decrease $
Variable rate instruments	**2,707**	**(2,707)**	**2,707**	**(2,707)**

2009	Profit or loss		Equity	
	100bp increase $	100bp decrease $	100bp increase $	100bp decrease $
Variable rate instruments	12,390	(12,390)	2,707	(2,707)

f) Fair values

i. ***Fair values versus carrying amounts***

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	2010		2009	
	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Cash and cash equivalents	**270,659**	**270,659**	1,239,031	1,239,031
Other receivables (excluding GST receivable and non refundable prepayments)	**-**	**-**	13,180	13,180
Bonds and deposits	**12,500**	**12,500**	7,500	7,500
Financial assets	**283,159**	**283,159**	1,259,711	1,259,711
Trade and other payables (excluding any tax related payables)	**(84,824)**	**(84,824)**	(133,391)	(133,391)
Financial liabilities at amortised cost	**(84,824)**	**(84,824)**	(133,391)	(133,391)

Note 19 Dividends

No dividends were paid or proposed during the financial year (2009: Nil).

The Company has no franking credits available as at 30 June 2010 (2009: Nil).

Note 20 Key Management Personnel disclosures

a) Directors

The following persons were Directors of the Company during the financial year:

Managing Director
Ralph De Lacey

Executive Director
John Sainsbury

Non-Executive Director
Andrew Kerr

There were no other persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the financial year. Other than the appointments stated above, there were no changes of Key Management Personnel between the reporting date and the date the financial report was authorised for issue.

Details of Directors' remuneration are contained in the Audited Remuneration Report in the Directors' Report. A summary of total compensation paid to Key Management Personnel during the year is as follows:

	Key Management Compensation ($) 2010	2009
Short-term employee benefits	**369,458**	386,551
Post employment benefits	**16,726**	20,075
	386,184	406,626

b) Equity instrument disclosures relating to Key Management Personnel

i. ***Unlisted Options provided as remuneration and shares issued on exercise of such options***

No options have been issued to Key Management Personnel during the year in respect of remuneration or for any other services provided.

ii. ***Option holdings***

The numbers of options over ordinary shares in the Company held during the financial year by each Director of the Company and other Key Management Personnel of the Company, including their personally related parties are set out below:

2010 Name	Balance at start of the year	Granted as remuneration during the year	Exercised during the year	Other changes during the year (1)	Balance at the end of the financial year	Vested and exercisable at the end of the financial year
Directors						
R De Lacey	**4,875,000**	-	-	-	**4,875,000**	**4,875,000**
J Sainsbury	**4,090,000**	-	-	-	**4,090,000**	**4,090,000**
A Kerr	**10,000**	-	-	-	**10,000**	**10,000**

2009 Name	Balance at start of the year	Granted as remuneration during the year	Exercised during the year	Other changes during the year (1)	Balance at the end of the financial year	Vested and exercisable at the end of the financial year
Directors						
P O'Connor *	-	-	-	-	-	-
R De Lacey	4,875,000	-	-	-	4,875,000	4,875,000
J Sainsbury	4,065,000	-	-	25,000	4,090,000	4,090,000
A Kerr	10,000	-	-	-	10,000	10,000

(1) Acquired by directors.

*denotes former director

Note 20 Key Management Personnel disclosures (continued)

Equity instrument disclosures relating to Key Management Personnel (continued)

iii. ***Share holdings***

The number of shares in the Company held during the financial year by each Director of the Company and other Key Management Personnel of the Company, including their personally related parties are set out below. There were no shares granted during the year as compensation.

2010 Name	Balance at start of the year	Received during the year on exercise of options	Other changes during the year (1)	Balance at the end of the financial year
Directors				
R De Lacey	**9,300,000**	**-**	**1,300,000**	**10,600,000**
J Sainsbury	**7,594,426**	**-**	**700,000**	**8,294,426**
A Kerr	**20,000**	**-**	**-**	**20,000**

2009 Name	Balance at start of the year	Received during the year on exercise of options	Other changes during the year (1)	Balance at the end of the financial year
Directors				
P O'Connor*	-	-	-	-
R De Lacey	9,300,000	-	-	9,300,000
J Sainsbury	7,280,000	-	314,426	7,594,426
A Kerr	20,000	-	-	20,000

(1) Acquired by directors.

* denotes former director.

c) Loans made to Key Management Personnel

No loans were made to any Director or Key Management Personnel or any of their related entities during the year.

d) Other transactions with Key Management Personnel

During the year the Company incurred costs of $129,731 (2009: $75,833) from Mining Services (NQ) Pty Ltd, a Company associated with Mr Ralph De Lacey, for occupancy costs, the provision of technical assistance and mining consulting services, and the purchase of assets. All services provided by Mining Services (NQ) Pty Ltd were done so at an arms length basis and on normal commercial terms. There is no balance owing to the director related entity as at 30 June 2010 (2009: nil).

During the year the Company incurred costs of $37,641 (2009: $35,777) in respect of legal costs with Preston Law, a firm of which director Andrew Kerr is a partner. There is a balance owing to the director related entity as at 30 June 2010 of $4,967 (2009: nil).

There are no other transactions with key management personnel during the year.

Note 21 Remuneration of auditors

During the 2010 financial year BDO (NTH QLD), the Company's auditor, has not provided any non audit services in addition to their statutory duties, other than disclosed below:

	2010 $	2009 $
Audit and review of the Company's financial statements	**32,000**	31,000
Taxation and other services	**4,200**	3,900
	36,200	34,900

Note 22 Contingencies

a) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Company as at 30 June 2010 other than:

i. *Native Title and Aboriginal Heritage*

Native title claims have been made with respect to areas which include tenements in which the Company has an interest. The Company is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Company or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Company has an interest.

b) Contingent assets

There were no material contingent assets of the Company as at 30 June 2010.

Note 23 Commitments

a) Future Exploration

The Company 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 Company.

The commitments to be undertaken are as follows:

	2010 $	2009 $
Payable:		
- not later than 12 months	**253,657**	124,000
- between 12 months and 5 years	**222,025**	312,129
- greater than 5 years	**-**	-
	475,682	436,129

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

b) Operating lease commitments

The Company has no commitments under operating leases.

c) Contractual commitments

There are no contractual commitments as at 30 June 2010.

Note 24 Related party transactions

There were no other related party transactions during the year other than the disclosures relating to Key Management Personnel at note 20.

Note 25 Events occurring after the balance date

- On 6 July 2010 the Company published its preliminary scoping study of the Mt Garnet Tin Project;
- On 3 August 2010 the Company closed its non-renounceable entitlement offer raising $148,044 by the issue of 3,701,106 ordinary fully paid shares at $0.04 each. On 10 September 2010 a further 525,000 of the Offer shortfall shares were issued;
- On 7 September 2010 the Company announced that its Windermere tin project had been granted. The grant of the mineral development licence resulted in the increase of JORC Mineral Resources at the Company's Mt Garnet Tin Project by 2.1Mt @ 0.55% tin;
- The Company completed a private placement of 8,700,000 shares at $0.025 each on 10 September 2010. Attaching to the placement are 8,700,000 options on a one for one basis that will be issued subject to shareholder approval. The options are exercisable at $0.05 each on or before 31 August 2013.

Other than the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Note 26 Reconciliation of loss after tax to net cash outflow from operating activities

	Year Ended 30 June 2010 $	Year Ended 30 June 2009 $
Loss after income tax	**(354,468)**	(505,237)
Depreciation and amortisation	**19,192**	22,215
Share based payments expense	**2,098**	8,393
Exploration costs expensed	**75,825**	-
Change in operating assets and liabilities:		
(Increase)/decrease in accrued income	**13,180**	49,776
(Increase)/decrease in receivables	**(193,287)**	19,899
(Increase)/decrease in prepaid expenses	**(1,756)**	5,123
Increase/(decrease) in payables	**(48,749)**	72,260
Increase/(decrease) in employee liabilities	**26,200**	8,662
Net cash outflow from operating activities	**(461,765)**	(318,909)

Non cash financing and investing activities

During the financial year the Company did not enter into any transactions which had material non cash components.

Note 27 Earnings per share

	Year Ended 30 June 2010 Cents	Year Ended 30 June 2009 Cents
a) Basic earnings per share		
Loss attributable to ordinary equity holders of the Company	**(0.7)**	(1.1)
b) Diluted earnings per share		
Loss attributable to ordinary equity holders of the Company	**(0.7)**	(1.1)
c) Loss used in calculation of basic and diluted loss per share	**$**	**$**
Loss after tax	**(354,468)**	(505,237)
d) Weighted average number of shares used as the denominator	**#**	**#**
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	**52,186,830**	46,098,001

There are on issue 44,074,990 options at 30 June 2010 (2009: 35,849,000) which are not considered to be dilutive to the reported loss.

Options to acquire ordinary shares granted by the Company and not exercised at the reporting date are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options are not considered to be dilutive and accordingly have not been included in the determination of diluted earnings per share. The options on issue are considered not to have a dilutive effect during the year as the exercise price has exceeded the market value of the Company's ordinary shares throughout the year, making exercise of options unlikely for economic reasons.

Note 28 Subsidiary company details and consolidation information

CTM Alluvial Mining Pty Ltd, ACN 137 305 947, a wholly owned subsidiary of Consolidated Tin Mines Limited was registered on 25 May 2009.

During the year the subsidiary company held no assets or liabilities, and there was no trading activity or profit or loss.

Separate consolidated financial statements have not been prepared for the financial year. As there was no activity, or movement in assets and liabilities during the year in respect of the subsidiary company, the financial statements of the parent company also represent the results and financial position, and applicable disclosures of the consolidated entity.

Note 29 Settlement of Corporate Services Agreement Dispute

The annual report for the year ended 30 June 2009 included disclosure relating to an ongoing dispute with Interwest Group Pty Limited relating to a corporate services agreement.

This dispute was settled during the year by the signing of a deed of settlement on 9th April 2010 and the subsequent payment of a settlement sum of $60,000 to Interwest Group Pty Ltd.

DIRECTORS' DECLARATION

The Directors of Consolidated Tin Mines Limited ("the Company") declare that:

(a) The financial statements and notes set out on pages 20 to 43 are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the financial position of the Company as at 30 June 2010 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the financial year ended on that date.

(b) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards

(c) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The remuneration disclosures included on pages 16 to 17 of the Directors' Report (as part of the audited Remuneration Report) for the year ended 30 June 2010, comply with section 300A of the Corporations Act 2001.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Directors and Company Secretary for the financial year ended 30 June 2010.

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

Dated at Cairns this 27th day of September 2010.

Ralph De Lacey

Ralph De Lacey
Executive Chairman

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INDEPENDENT AUDITOR'S REPORT

To the members of Consolidated Tin Mines Limited

Report on the Financial Report

We have audited the accompanying financial report of Consolidated Tin Mines Limited, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity's preparation and fair presentation of the financial report 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 entity'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*.

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Auditor's Opinion

In our opinion:

(a) the financial report of Consolidated Tin Mines Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Significant Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, we draw attention to the matters set out in Note 1. The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. This includes the realisation of capitalised exploration expenditure of $2,901,924 (30 June 2009:$1,655,570) as summarised in Note 11. The ability of the company to maintain continuity of normal business activities, to pay their debts as and when they fall due and to recover the carrying value of their areas of interest and its loan accounts, is dependent upon the ability of the company to successfully raise additional capital and/or the successful exploration and subsequent exploitation of their areas of interest through sale or development.

Report on the Remuneration Report

We have audited the Remuneration Report included in paragraph 12 of the directors' report for the year ended 30 June 2010. 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.

BDO

BDO (NTH QLD)

GREG MITCHELL

Partner

Cairns, 27 September 2010

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of the Australian Stock Exchange Limited, the shareholder information set out below was applicable as at 17th September 2010.

a. Distribution of Equity Securities

Analysis of numbers of security holders by size of holding:

Distribution	Number of shareholders	Number of option holders
1 – 1,000	5	-
1,001 – 5,000	13	99
5,001 – 10,000	89	49
10,001- 100,000	286	212
More than 100,000	86	71
Totals	**479**	**431**

There were 109 shareholders holding less than a marketable parcel of ordinary shares.

b. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

	Issued Ordinary Shares	
Shareholder Name	**Number of shares**	**Percentage of shares %**
Ralph De Lacey	10,300,000	17.69%
John Sainsbury Consultants Pty Ltd	8,774,426	15.07%

c. Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are listed below:

	Issued Ordinary Shares	
Shareholder Name	**Number of shares**	**Percentage of shares %**
Ralph De Lacey	10,250,000	15.20%
John Sainsbury Consultants Pty Ltd	8,350,000	12.38%
Ji Baoxian	3,000,000	4.45%
Jiang Guifang	2,700,000	4.00%
Capraro Pty Ltd	2,000,000	2.97%
Lilybrook Superannuation Fund	1,950,000	2.89%
Befavo Pty Ltd	1,652,712	2.45%
Smiling Sun Pty Ltd	1,500,000	2.22%
Reywood Investments Pty Ltd	1,413,000	2.09%
Rytech Pty Ltd	1,000,000	1.48%
Chetan Enterprises Pty Ltd	880,000	1.30%
Tabaie Seyyed Mohammad	843,327	1.25%
Chigwell Pty Ltd	750,000	1.11%
Commsec Nominees Pty Ltd	747,160	1.11%
JA & RA Buckley	500,000	0.74%
Yin Jianchun	500,000	0.74%
Christopher Brooks	500,000	0.74%
National Nominees Ltd	500,000	0.74%
Yew Kwang Ng	500,000	0.74%
WD & CA King	500,000	0.74%
Top 20 Total	**40,036,199**	**59.34%**

d. Twenty Largest Option Holders

The names of the twenty largest holders of options are listed below:

	Listed Options	
Option Holder Name	**Number**	**Percentage Quoted**
Ralph De Lacey	4,700,000	10.81%
John Sainsbury Consultants Pty Ltd	4,000,000	9.20%
Archfield Holdings Pty Ltd	1,561,149	3.59%
KR & GR McMeikan	1,476,672	3.40%
TE & FL Pugh	1,000,000	2.30%
Smiling Sun Pty Ltd	1,000,000	2.30%
William Bailey McDonald	992,314	2.28%
JA & RA Buckley	962,500	2.21%
Yeo Kian Doo	886,466	2.04%
Ian Johnston	841,830	1.94%
Nicholas David Endres	750,000	1.73%
Peter Turcovsky	693,501	1.60%
Lilybrook Superannuation Fund	650,000	1.50%
Commsec Nominees Pty Ltd	630,000	1.45%
FA & MA Ciccone Pty Ltd	620,000	1.43%
Trudy Jane Nicholaidis	560,250	1.29%
Phi Group Pty Ltd	526,670	1.21%
Jalintta Pty Ltd	501,319	1.15%
Paticoa Nominees Pty Ltd	500,001	1.15%
Chigwell Pty Ltd	500,000	1.15%
Top 20 Total	**23,352,672**	**53.73%**

e. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

f. Restricted Securities

There are no restricted securities on issue.

SCHEDULE OF MINERAL TENEMENTS

Schedule of Tenements as at 19th September 2010

Registered Holder	Tenement No.	Tenement Name	Area	Interest	Status
Consolidated Tin Mines	EPM 14185	Mt Garnet	298 Sq Kms	100%	Granted
	EPM 15708	Nymbool	42 Sq Kms	100%	Granted
	EPM 15611	Lynd River	80 Sq Kms	100%	Granted
	MDL 38	Gillian	399 Ha	100%	Granted
	MDL381	Windermere	346.8 Ha	100%	Granted
	ML 4069	Nettle Creek	21.2 Ha	100%	Granted
	ML 4073	Nettle Creek	144.6 Ha	100%	Granted
	ML 4074	Nettle Creek	99.2 Ha	100%	Granted
	EPMA 17547	Tate River Extended	122 Sq Kms	100%	Granted
	EPMA 17548	Petford East	102 Sq Kms	100%	Granted
	EPMA 17550	Herberton Extended	35 Sq Kms	100%	Granted
	EPMA 17551	Smiths Creek	51 Sq Kms	100%	Granted
	EPMA 17623	Mt Garnet West	67 Sq Kms	100%	Granted
	EPMA 17627	Georgetown West	125 Sq Kms	100%	Application
	EPMA 17753	Mt Garnet Nth West	125 Sq Kms	100%	Application
	EPMA 17875	Lynd River Extended	10 Sq Kms	100%	Application
	EPMA 17917	Smith's Creek Extended	6 Sq Kms	100%	Application
	EPMA 18000	Mt Garnet East	29 Sq Kms	100%	Application
	EPMA 18321	Mt Garnet South	22 Sq Kms	100%	Application
	EPMA 18118	Bolwarra	227 Sq Kms	100%	Application
	EPMA 18795	Gillian	6 Sq Kms	100%	Application
	MLA 20583	Mid Battle Creek	161 Ha	100%	Application
	MLA 20584	Nettle Creek Extended	299 Ha	100%	Application
	MLA 20585	Upper Battle Creek	107 Ha	100%	Application
	MLA 20615	Leichhardt Creek	72 Ha	100%	Application
	MLA 20626	Gillian	235.6 Ha	100%	Application
	MLA 20653	Central Mill	441.6 Ha	100%	Application