

SEPTEMBER 2018 QUARTER ACTIVITIES REPORT

QUARTERLY ACTIVITIES OVERVIEW

- ❖ Mining of the Dry River South (DRS) upper levels continued during the quarter with over 30,000 tonnes ore extracted. Refurbishment of the DRS decline to access lower levels continued during the quarter.
- ❖ Construction of the Mount Garnet Deeps development drive continued during the quarter. Underground Infill resource drilling commenced during the quarter.
- ❖ Several processing campaigns were performed at the Mt Garnet Mill during the quarter.
- ❖ Mineral resource review of Kaiser Bill deposit completed.

SUBSEQUENT TO QUARTER END

- ❖ Mt Garnet Mill continues to perform separate processing campaigns as mining operations ramp up.

OPERATIONS

Mining of the remaining remnant ore in the upper levels of the Mount Garnet underground mine continued during the quarter, with an additional 6,000 tonnes extracted. There remain pockets of remnant ore at the Mount Garnet underground mine and the Company is scheduling programs to extract this remaining ore.

Construction of the new Mount Garnet Deeps development drive to access the Mt Garnet Deeps ore body continued throughout the quarter and will continue in the December 2018 quarter. Underground infill resource drilling commenced during the quarter, the results of this drilling will provide the Company with a better understanding of the orebody and will enable the Company to update development, production and mining plans to achieve maximum mining efficiencies. Some development ore is expected to be mined from the Mount Garnet Deeps deposit commencing December 2018.

Refurbishment of the DRS decline is progressing, in parallel with ore drive refurbishment of existing levels. Mining of ore from the DRS mine is gradually increasing as mining activities ramp up with haulage of ore to the Mt Garnet plant continuing.

The Mount Garnet Mill performed several processing campaigns throughout the quarter. The mill will continue to perform separate campaigns as mining operations ramp up at the DRS mine and additional ore is sourced from Mount Garnet mine.

Concentrate stockpiled at the start of the quarter and the majority of concentrate produced during the September quarter has been sold.

Base Metal Production

	September 2018 quarter (3 months)
Ore processed	36,299 tonnes
Mill feed grade Zn	6.16 %
Mill feed grade Pb	1.59 %
Mill feed grade Cu	0.60 %
Zn recovery	81.3 %
Pb recovery	39.0 %
Cu recovery	40.4 %
Zn metal produced in concentrate	1,817 tonnes
Pb metal produced in concentrate	332 tonnes
Cu metal produced in concentrate	104 tonnes

EXPLORATION

The Company announced a Mineral Resource review of the Kaiser Bill deposit had been completed by Mining Associates that resulted in a total JORC 2012 Indicated and Inferred Mineral Resource of 18.39 Mt @ 0.83% Cu for 152,000 tonnes of copper above 0.5% Cu cut-off (ASX Announcement 26 July 2018).

The Company's main focus at the Einasleigh Project remains the Kaiser Bill deposit and progressing this deposit towards mining in 2020. The Company continued regional on ground exploration at the Einasleigh Project focused on developing new targets to 'drill ready' stage.

Exploration at Surveyor Project focused on Dry River South and Balcooma potential resource extensions.

CORPORATE

During the quarter, the Company finalised a private placement pursuant to resolution 18 approved by shareholders at an Extraordinary General Meeting held on 30 April 2018. In total, the Company issued 19,998,312 shares at \$0.60 per share to raise a total of \$11,998,987.20.

The CSD Board has decided to defer reinstatement to trading on ASX until the first quarter 2019. Directors will keep shareholders and the market informed of any developments relating to the reinstatement to trading on the ASX, through the issue of further Company announcements as soon as further information becomes available.

CASH RESERVES & LOAN FACILITIES

The Company had \$332,117 in cash reserves at the end of the June 2018 quarter.

As reported in the June 2018 Quarterly Activities Report, Cyan Stone Pty Ltd (Cyan) agreed to provide the Company with two loan facilities totalling \$35 million (refer to 31 December 2017 half year report for additional details of these facilities).

For further information, please contact:

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

Table 1: Schedule of Tenements as at 30 September 2018

Registered Holder	Tenement No.	Tenement Name	Interest at start of quarter	Interest at end of quarter	Status
Consolidated Tin Mines	MDL 38	Gillian	100%	100%	Granted
	MDL 381	Windermere	100%	100%	Granted
	MDL 448	Herberton Deep Lead	100%	0%	Expired
	MDL 482	Jeannie River	100%	100%	Granted
	EPM 14185	Mt Garnet	100%	100%	Granted
	EPM 15611	Lynd River	100%	100%	Granted
	EPM 17073	Mt Garnet Extended	100%	100%	Granted
	EPM 17547	Tate River Extended	100%	100%	Granted
	EPM 17623	Mt Garnet West	100%	100%	Granted
	EPM 17753	Mt Garnet Nth West	100%	100%	Granted
	EPM 17875	Lynd River Extended	100%	100%	Granted
	EPM 17917	Smith's Creek Extended	100%	100%	Granted
	EPM 18000	Mt Garnet East	100%	100%	Granted
	EPM 18118	Bolwarra	100%	100%	Granted
	EPM 18321	Mt Garnet South	100%	100%	Granted
	EPM 18795	Gillian	100%	100%	Granted
	EPM 19105	Jimibilly North	100%	100%	Granted
	EPM 19204	Nettle Creek South	100%	100%	Granted
	EPM 19468	Jeannie River Extended	100%	100%	Granted
	EPM 19603	Dinner Creek	100%	100%	Granted
	EPM 25386	Spring Creek	100%	100%	Granted
	EPM 25427	Nettle Creek	100%	100%	Granted
	EPM 25428	Reedy Creek	100%	100%	Granted
	EPM 25689	Twelve Mile	100%	100%	Granted
	EPM 25702	Soda	100%	100%	Granted
	EPM 25711	Brownville	100%	100%	Granted
	EPM 25939	Torwood	100%	100%	Granted
	EPMA 26087	Einasleigh Extended	0%	0%	Application
	EPMA 26540	Silver Valley	0%	0%	Application
	EPMA 26635	Einasleigh Upper	0%	0%	Application
	MLA 20583	Mid Battle Creek	0%	0%	Application
	MLA 20584	Nettle Creek Extended	0%	0%	Application
	MLA 20585	Upper Battle Creek	0%	0%	Application
	MLA 20693	Pinnacles	0%	0%	Application
	MLA 20694	Windermere	0%	0%	Application
	ML 20743	Gillian	100%	100%	Granted
	MLA 100022	Maitland	0%	0%	Application
CTM Alluvial Pty Ltd	EPMA 26453	Lynd Regional	0%	0%	Application
	EPMA 26910	Tate Lynd	0%	0%	Application
	ML 4069	Nettle Creek	100%	100%	Granted
	ML 4073	Nettle Creek	100%	100%	Granted
	ML 4074	Nettle Creek	100%	100%	Granted
	MLA 20721	Kangaroo Creek	0%	0%	Application
	MLA 20722	Martins Terrace	0%	0%	Application
	MLA 20723	Martins Hill	0%	0%	Application
	MLA 100023	Boomerang	0%	0%	Application

Registered Holder	Tenement No.	Tenement Name	Interest at start of quarter	Interest at end of quarter	Status	Pending Transfer Holder *
Snow Peak Mining Pty Ltd	EPM 9323	Balcooma	100%	100%	Granted	SM PL
	EPM 12510	Horse Mountain	100%	100%	Granted	CSD
	EPM 12513	Ironstone Knob	100%	100%	Granted	CSD
	EPM 13072	Einasleigh	100%	100%	Granted	SM PL
	EPM 13229	Balcooma East	100%	100%	Granted	SM PL
	EPM 13272	Mount Garnet West	100%	100%	Granted	CSD
	EPM 14107	Balcooma Extended 2	100%	100%	Granted	SM PL
	EPM 14626	Mount Garnet Ext	100%	100%	Granted	CSD
	EPM 16024	Expedition Creek	100%	100%	Granted	CSD
	EPM 16072	Mount Garnet	100%	100%	Granted	CSD
	EPM 18093	Newcastle	100%	100%	Granted	SM PL
	EPM 18165	Caldera	100%	100%	Granted	SM PL
	EPM 18257	Coolabah	100%	100%	Granted	SM PL
	EPM 18284	Nine Mile	100%	100%	Granted	SM PL
	EPM 18558	Blacksoil	100%	100%	Granted	SM PL
	EPM 25199	Fish Hole Creek	100%	100%	Granted	SM PL
	EPM 25200	Telegraph Creek	100%	100%	Granted	SM PL
	EPM 25202	Mt Juliet	100%	100%	Granted	SM PL
	EPM 25211	Tooth Dam	100%	100%	Granted	SM PL
	EPM 25259	Surveyor Two	100%	100%	Granted	SM PL
	EPM 25276	Caterpillar	100%	100%	Granted	SM PL
	EPM 25277	Mt Garnet South	100%	100%	Granted	CSD
	EPM 25424	Railway	100%	100%	Granted	SM PL
	EPMA 25451	Stockman	0%	0%	Application	SM PL
	EPM 25498	Balcooma West	100%	100%	Granted	SM PL
	EPMA 25522	Telegraph Extended	0%	0%	Application	SM PL
	ML 1393	Balcooma	100%	100%	Granted	CSD
	ML 4042	Mount Garnet No 2	100%	100%	Granted	CSD
	ML 4043	Mount Garnet No 3	100%	100%	Granted	CSD
	ML 4044	Mount Garnet No 4	100%	100%	Granted	CSD
	ML 4130	Mount Garnet No 5	100%	100%	Granted	CSD
	MLA 20005	Mount Garnet Ext Nth	0%	0%	Application	CSD
	ML 20016	Mount Garnet No 6	100%	100%	Granted	CSD
	MLA 20105	Mount Garnet Sth Wst	0%	0%	Application	CSD
	ML 30156	Balcooma 95	100%	100%	Granted	CSD
	MLA 30211	Kaiser Bill	0%	0%	Application	SM PL
	MLA 30212	Einasleigh	0%	0%	Application	SM PL
	MLA 30214	Transport MLA	0%	0%	Application	SM PL
	MLA 30217	Chloe	0%	0%	Application	SM PL
	MLA 100001	Mount Garnet South	0%	0%	Application	CSD
	MLA 100177	Stockman	0%	0%	Application	CSD
	MLA 100178	Jackaroo	0%	0%	Application	CSD
	MLA 100179	Ringer	0%	0%	Application	CSD
	MLA 100180	Bel	0%	0%	Application	CSD

*Pending transfer holder = CSD – Consolidated Tin Mines Limited, SM PL – Surveyor Mining Pty Ltd

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Consolidated Tin Mines Ltd

ABN

57 126 634 606

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$'000	Year to date (3 months) \$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,795	2,795
1.2 GST refunds	682	682
1.3 Payments for		
(a) mining & processing	(2,588)	(2,588)
(b) staff costs	(4,628)	(4,628)
(c) administration and corporate costs	(1,025)	(1,025)
(d) other suppliers	(829)	(829)
1.4 Dividends received (see note 3)	-	-
1.5 Interest received	1	1
1.6 Interest and other costs of finance paid	(50)	(50)
1.7 Income taxes paid	-	-
1.8 Net cash from / (used in) operating activities	(5,642)	(5,642)
2. Cash flows from investing activities		
2.1 Payments to acquire / for:		
(a) exploration & evaluation	(740)	(740)
(b) property, plant and equipment	(1,643)	(1,643)
(c) mine development	(2,677)	(2,677)
(d) tenements (see item 10)	-	-

+ See chapter 19 for defined terms

Consolidated statement of cash flows		Current quarter	Year to date (3 months)
		\$'000	\$'000
	(e) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(5,060)	(5,060)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	10,439	10,439
3.2	Proceeds from borrowings	3,033	3,033
3.3	Repayment of borrowings	(3,097)	(3,097)
3.4	Dividends paid	-	-
3.5	Other (provide details if material)	-	-
3.6	Net cash from / (used in) financing activities	10,375	10,375
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	345	345
4.2	Net cash from / (used in) operating activities (item 1.8 above)	(5,642)	(5,642)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,060)	(5,060)
4.4	Net cash from / (used in) financing activities (item 3.6 above)	10,375	10,375
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	18	18

+ See chapter 19 for defined terms

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$'000	Previous quarter \$'000
5.1 Bank balances	18	345
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	18	345

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.3

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

- | | |
|------|--|
| (i) | \$48k – paid to ARM (NQ) Pty Ltd, an entity associated with Messrs Ralph De Lacey, Ze Huang Cai and Kwok Ching Tsoi for rent on the Mt Garnet residential properties |
| (ii) | \$30k - occupancy costs paid to NQ Mining Enterprises Pty Ltd, an entity associated with Mr Ralph De Lacey |

**Current quarter
\$'000**

78

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7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$'000**

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8. Financing facilities available	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities	35,400	32,526
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Cyan Stone Pty Ltd (Cyan) provided the Company with 2 loan facilities whereby individual drawdowns are separately agreed:

- \$10m commencing September 2017 for a 3-year period, fully drawn at quarter end; and
 - \$25m commencing November 2017 for a 2-year period, remaining facility \$2.87m at quarter end.
- These loans incur interest at 6% p.a. and are secured by a floating charge over all of the Group's assets.

Ralph De Lacey provided the Company with a short term loan facility of \$400,000 in August 2018. This loan facility incurs interest at 0.4% per month (effectively 4.8% p.a.) and has a term of 3 months.


9. Estimated cash outflows for next quarter	\$'000
9.1 Exploration and evaluation	200
9.2 Development	4,036
9.3 Mining & processing	4,283
9.4 Property, plant & equipment	-
9.5 Bonds	-
9.6 Staff costs	5,820
9.7 Administration and corporate costs	933
9.8 Finance lease	942
9.8 Other (provide details if material)	-
9.9 Total estimated cash outflows	(16,214)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


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(Company secretary)

Date: 31 October 2018

Print name: Ze Huang Cai (Martin)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.