



## ASX Announcement

### Aus Tin Mining Limited (ASX: ANW)

17 August 2020

### Non-Renounceable Entitlement Offer

Aus Tin Mining Limited (ASX:ANW) wishes to announce that it is seeking to raise up to \$3,051,996 by way of new cash and the conversion of existing debt, by undertaking a pro-rata non-renounceable entitlement offer of up to 3,051,996,286 new fully paid ordinary shares (**New Shares**) with an offer ratio of 1 New Share for every 1 Share held on the Record Date, at an offer price of 0.1 cents (\$0.001) per New Share (**Offer**).

On 7 August 2020, the Company issued 122,222,222 unlisted convertible notes at \$0.0009 each (for \$110,000) of which 11,111,111 remain to be converted to ordinary shares. The Company also still has on issue 2 convertible securities in connection with the Lind Facility. In addition, the Company has a total of 105,704,485 unlisted options on issue, with exercise prices ranging from 1.35 cents to 2.5 cents each. Assuming none of these convertible securities or options are exercised ahead of the Record Date, approximately 3,051,996,286 New Shares will be made available under the Offer. New Shares issued pursuant to the Offer will rank equally with all existing shares on issue.

The Offer is being made without a disclosure document pursuant to Section 708AA of the *Corporations Act 2001* (Cth). A copy of the Offer Booklet will be lodged with the ASX today (and available on the Company's website [www.austinmining.com.au](http://www.austinmining.com.au) and the ASX website) and will be despatched to shareholders on or about 25 August 2020 in accordance with the timetable outlined below. **Please note that this will include distribution via email (in lieu of the mail) where the Registry holds a valid email address for your holding.**

The Offer will be available to all registered shareholders at 7pm AEST on 20 August 2020 (**Record Date**) with a registered address in Australia, New Zealand, Hong Kong or any other jurisdiction in which the Company subsequently determines it may extend the Offer (**Eligible Shareholders**).

In accordance with the Listing Rules of the ASX, the Company has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia, New Zealand and Hong Kong and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia, New Zealand and Hong Kong, the Company has formed the view that it is unreasonable to extend the Offer to those shareholders. Accordingly, shareholders outside of the abovementioned jurisdictions will not be entitled to participate in the Offer (**Ineligible Shareholders**).

Optionholders that have registered addresses in Australia, New Zealand or Hong Kong are eligible for participation, subject to first exercising their options. However, as the exercise price of all options on issue is currently higher than the share price, it is unlikely that any optionholders will exercise and participate in the Offer. Accordingly, it is expected that approximately 3,051,996,286 New Shares will be available under the Offer. Shares issued pursuant to the Offer will rank equally with all existing shares on issue.



You should consider the Offer Booklet in full in deciding whether to participate in the Offer. Any shareholder wishing to participate in the Offer will need to complete the “Entitlement and Acceptance Form” that will be in, or will accompany, the Offer Booklet.

The Offer is non-renounceable, which means that rights to participate in the Offer cannot be sold, and therefore to the extent that shareholders entitled to participate in the Offer do not take up their entitlement, they will not receive any value in respect of those entitlements not taken up. Eligible Shareholders may also apply for additional New Shares over and above their entitlement.

The Board of Directors reserves the right to place any shortfall from the Entitlement Offer to third parties within three (3) months of the close of the Offer at a price no lower than the Offer Price.

### **Revised Strategic Plan**

The Company last week provided an updated four point plan to improve shareholder value incorporating the recently announced acquisition of the Ashford Coking Coal Project<sup>1</sup>.

In the Company’s current view:

- (1) the relative certainty of the Ashford Transaction (having executed a binding term sheet which subject to satisfaction of all conditions precedent will ultimately result in 100% control of the Ashford Project); and
- (2) the anticipated future global demand for coking coal as the world economy recovers from the COVID-19 pandemic,

will result in priority being given to advancing the Ashford Transaction, as the most promising project in the Company’s portfolio at present.

Accordingly, the Company’s revised strategy will be:

- (1) to strengthen the Company’s balance sheet through a combination of the Offer, the issue of the Convertible Notes, and the conversion of debt into equity;
- (2) to pursue completion of Stage 1 of the Ashford Transaction;
- (3) following completion of Stage 1 of the Ashford Transaction, to undertake a feasibility study in respect of the Ashford Project and progress an application for a mining lease;
- (4) subject to:
  - (i) a satisfactory binding term being agreed with Lachlan Copper; and
  - (ii) availability of funding,diversifying the Company’s targeted commodities to include copper and gold in Lachlan Fold Belt (NSW);
- (5) increasing the metal inventory at the Taronga Tin Project and untested nickel/cobalt targets at Mt Cobalt; and
- (6) seeking a buyer for the Granville Tin Mine in Tasmania.

<sup>1</sup> Refer ASX Announcement dated [14 August 2020]



## Purpose of the Offer

Any funds raised from the Entitlement Offer will, together with the Company's existing working capital, be used for one or more of the following purposes:

- pursue the completion of Stage 1 of the recently announced Ashford Transaction;
- following completion of Stage 1 of the Ashford Project, undertake a feasibility study in respect of the Ashford Project and progress application for a mining lease<sup>2</sup>;
- subject to reaching binding commercial terms with Lachlan Copper, advancing exploration on the Lachlan Copper project;
- to undertake a program of work at the Taronga Tin Project in New South Wales;
- meet the costs of the Entitlement Offer;
- repay short-term advances made to the Company; and
- meet corporate expenditure and working capital requirements.

Further details are outlined in the Offer Booklet, which should be read in full before determining whether or not to take up your entitlement under the Offer.

## Key dates for investors

Announcement of Entitlement Offer, and Offer Booklet and s708AA(2)(f), and Appendix 3B lodged with ASX	Before 12pm Monday, 17 August 2020
Record Date for the Entitlement Offer (7:00pm AEST)	Thursday 20 August 2020
Despatch of Offer Booklet Opening Date of Entitlement Offer (9:00am AEST)	Tuesday, 25 August 2020
Last day to extend the Closing Date of Entitlement Offer	Tuesday, 15 September 2020
Closing Date of Entitlement Offer (5:00pm AEST)	Friday, 18 September 2020
Announcement of results of issue (no more than 3 business days after Closing Date)	Wednesday, 23 September 2020
Issue Date - expected date of issue of the New Shares under the Entitlement Offer, and lodgement of Appendix 2A for quotation of New Shares	Friday, 25 September 2020
Normal trading in Shares begins	Monday, 28 September 2020

*The dates set out in the above table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time, subject to the Corporations Act and the Listing Rules, without notice. The Directors, subject to the requirements of the Listing Rules and the Corporations Act, may extend the period of the Entitlement Offer or bring forward the Closing Date at their discretion. This may have a consequential effect on the other dates. Investors are encouraged to submit their Entitlement and Acceptance Forms as soon as possible.*

<sup>2</sup> See announcement made 31 July 2020 *Acquisition of Ashford Coking Coal Project*



## Cleansing Notice under Section 708AA of the Corporations Act

Pursuant to section 708AA(7) of the *Corporations Act*, the Company provides notice of the following:

1. Aus Tin Mining will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the *Corporations Act*.
2. Aus Tin Mining is providing this notice under section 708AA2(f) of the *Corporations Act*.
3. As at the date of this notice, Aus Tin Mining has complied with:
  - (a) the provisions of Chapter 2M of the *Corporations Act* as they apply to Aus Tin Mining; and
  - (b) section 674 of the *Corporations Act*.
4. As at the date of this notice there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules other than as set out below; and
  - (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
    - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - (2) the rights and liabilities attaching to the New Shares.
5. If all Eligible Shareholders take up their entitlement under the Offer, the Offer will only have a minimal effect on the control of the Company. As the Offer is only being extended to Australian, New Zealand and Hong Kong registered shareholders, Ineligible Shareholders will be diluted to the extent that the Offer is subscribed. However, the Company has minimal shareholders resident outside Australia, New Zealand and Hong Kong.
6. If an Eligible Shareholder takes up their full entitlement, they can also apply for additional New Shares (**Additional New Shares**) under the Offer. The offer price for the Additional New Shares will be the Issue Price of \$0.001 per Additional New Share. Any Additional New Shares must be allocated from that pool of New Shares which remain available for allocation, after the allocation of all entitlements to each Eligible Shareholder who has applied for their entitlements. However, the Shortfall Shares will only be placed to the extent that such placement is in compliance with the takeover provisions of the *Corporations Act*, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions. Related Parties of the Company and their associates who are Eligible Shareholders will not be issued Additional New Shares.
7. If an Eligible Shareholder does not take up their entitlement in full there may be a dilutionary effect on their proportionate shareholding.

An Appendix 3B and a Proforma Appendix 2A will be lodged today.

The Directors of Aus Tin Mining encourage all Eligible Shareholders to participate in the capital raising.

*Authorised by the Board of Directors*

Karl Schlobohm  
Company Secretary

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