AUS TIN MINING LIMITED
AND CONTROLLED ENTITIES

ABN: 84 122 957 322

ANNUAL REPORT 2019

CONTENTS

CORPORATE INFORMATION

DIRECTORS
Brian Moller
Nicholas Mather
John Bovard
Richard Willson

COMPANY SECRETARY
Karl Schlobohm

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COUNTRY OF INCORPORATION
Australia

STOCK EXCHANGE LISTING
ASX Limited
Ticker Code: ANW

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AUSTRALIAN BUSINESS NUMBER
84 122 957 322

CHAIRMAN'S REPORT

Dear Shareholders,

Despite challenging market conditions, in the past year Aus Tin Mining Limited (Aus Tin Mining or the Company) has remained focussed on delivery of tin and cobalt as part of its core business.

At Granville in Tasmania, the Company completed construction of infrastructure associated with the expanded operations and transitioned to owner mining. With a view to achieving lower operating costs and ability to crush material, the Company took the decision to acquire its own crushing plant.

Subsequent to year end the Company elected to undertake a strategic review of Granville in order to determine the most economically efficient means of extracting value from the project. This will inevitably necessitate a period during which operations will be reduced or even suspended, and based on the outcome of the review, also while any appropriate restructure is carried out.

At Taronga work has continued to test upside the potential at world class Taronga Project . The project was fully permitted in May 2019 and a contractor was appointed to undertake mining and crushing of an initial 50,000 tonnes of material for provisional metal reconciliation and further work. In September 2019 however, partially as a result of the operational performance at Granville and the on-going intense drought conditions being experienced in northern NSW, the decision was made to defer the Stage 1 Project. The Company will instead pursue a program of drilling directed to testing the upside in resource grade and providing sample for metallurgical test work to assess tin recovery.

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At Mt Cobalt, the Company has continued with exploration on several cobalt-nickel-copper targets which were drill tested during the past year. The Company was encouraged by the results, which included high-grade nickel up to 1.6%Ni near surface, and further work is planned in the coming year.

During the year the Company successfully completed a Share Purchase Plan, which has closed oversubscribed.

I would like to extend my thanks to the Company's CEO Mr Peter Williams, my fellow Directors and the management team for their ongoing efforts in advancing the Company's projects in a challenging year.

On behalf of the Board, I would also like to thank shareholders for their continued support during the period. I look forward to delivering further news on the Company's continued progress towards becoming a world class tin producer.

Yours faithfully

Brian Moller
Chairman

REVIEW OF OPERATIONS

Summary

Whilst significant progress was made at each of the Company's three major projects during the year, the year ended on a challenging note due to delays with tin production at the Granville Tin Mine. The highlights of the year were the receipt of all regulatory approvals for the Taronga Stage 1 Project and exploration success at the Pembroke nickel-cobalt-copper project.

Safety / Environment / Community

During 2018/19, across its three operations the Company reported only one minor injury related to the use of a hand grinder and one incident involving contractor equipment, both occurring at Granville. The Company will seek to further improve health and safety performance at its operations and is refining its Safety Management Plans, incorporating NSW health and safety requirements for mining activities. During the 12 months no environmental incidents were reported at any of its sites.

During the 12 months the Company invested significant time into community consultation around Emmaville (NSW) and Kilkivan (QLD) enabling exploration access to several new areas prospective for critical minerals. The Company also undertook significant consultation with regulators in NSW and Tasmania.

Taronga Tin Project (NSW)

During 2018/19 the Company's flagship Taronga Tin Project (**Taronga**), located in northern NSW, took a major step forward with the grant of a mining lease and receipt of all regulatory approvals for the Stage 1 Project encompassing a trial mine and pilot processing plant. Not only will the fully permitted Stage 1 Project enable the Company to assess several areas of upside of this world class resource, but also provides a pathway and precedence for future regulatory applications for a larger scale development.

Taronga is a world class JORC (2012) resource of 57,000 tonnes of contained tin, 26,400 tonnes of contained copper and 4.4 million ounces of silver (**refer Table 1**). The Company completed a Pre-feasibility Study in 2014[1] (**PFS**) that demonstrated that Taronga was technically feasible and economically viable and identified several areas of potential upside, including an increased resource grade, higher tin recoveries and the recovery of by-product credits, all of which have the capacity to significantly enhance the economics of the project.

[1] Refer ASX Announcement 7th April 2014

Table 1: Summary Tin, Copper & Silver Mineral Resource for Taronga Deposit

Taronga Tin Deposit - Mineral Resource (JORC 2012)									
0.1% Sn Cut-Off Grade	**Indicated**			**Inferred**			**Total**		
	Mt	Assay % Sn	Containe d Metal tonnes	Mt	Assay % / g/t	Contained Metal tonnes or oz	Mt	Assay % / g/t	Contained Metal tonnes or oz
Tin	26.9	0.17%Sn	45,200t	9.4	0.13%Sn	12,000t	36.3	0.16%Sn	57,200t
Copper	-	-	-	36.3	0.07%Cu	26,400t	36.3	0.07%Cu	26,400t
Silver	-			36.3	3.8g/tAg	4,400,000 oz	36.3	3.8g/tAg	4,400,000oz

In 2015 the Company commenced the approvals process for a trial mine, pilot processing plant and associated infrastructure, all located within freehold property owned by the Company. Following an extensive process including completion of a comprehensive Environmental Impact Statement, the Development Application for the Stage 1 Project was approved in late 2017. In September 2018 the Company was granted the mining lease and in May 2019 received the last of the outstanding regulatory approvals for the Taronga Stage 1 Project. The Taronga Stage 1 Project comprises mining and processing 340,000 tonnes of ore over a 20-month period to produce a saleable concentrate and has the key objective of testing potential areas of upside include resource grade, tin recovery and by-product credits.

Subsequent to the end of the 2018/19, the decision was made to defer the Stage 1 Project, due to performance issues at the Granville operation and intense drought conditions being experienced in the NSW Northern Tablelands. In the interim, the Company intends to undertake a program of close spaced drilling to evaluate the potential upside in the resource grade across a selected number of blocks, and two large diameter diamond drill holes for metallurgical test work. It is anticipated the interim program may also allow for a recalculation of the resource incorporating data on improved distribution data for tin grades.

During 2018/19 the Company undertook off-site work including a test program that demonstrated ore-sorting could be employed at Taronga to achieve significant waste rejection whilst achieving consistent waste grades across a number of size fractions. Ore-sorting is increasingly being adopted in minerals processing for the upgrading of tin ores, including at Renison in Tasmania and San Rafael in Peru. In addition to delivering a potential improvement in tin recovery, ore sorting consumes less water compared with other pre-concentration processes, pertinent for the Taronga project at the current time.

During the year the Company expanded its regional exploration efforts it portfolio of exploration licences in the Emmaville and Torrington area, targeting tin porphyry (sheeted vein) systems analogous to the Taronga deposit, including Great Britain and Poverty Point. The Company also increased its search for polymetallic and silver prospects within its existing tenement portfolio, including Reids (copper) and Black Prince (lead, zinc, copper and silver) and, and critical minerals including tungsten (McCowens).

REVIEW OF OPERATIONS (continued)

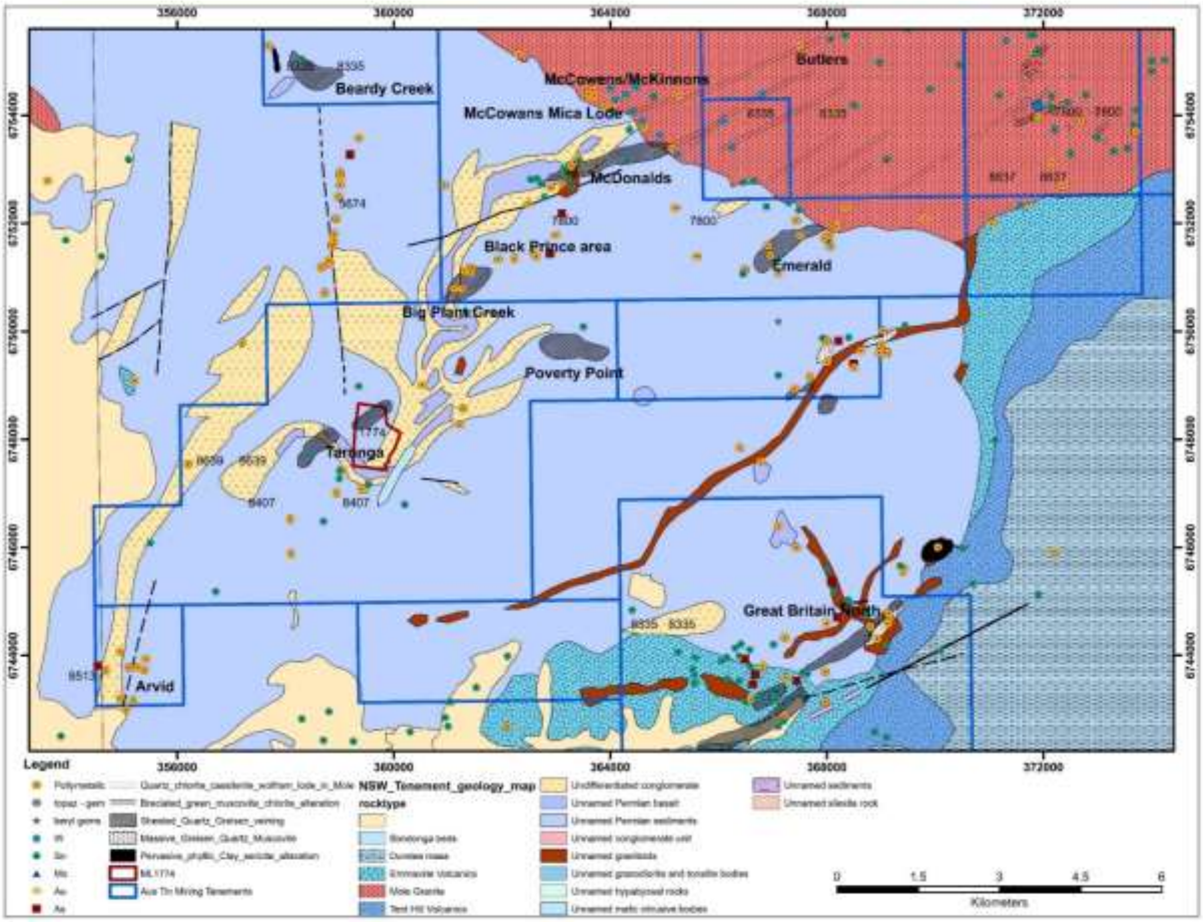

Figure 1: Geology and distribution of mineral occurrences of the Emmaville and Torrington region

Granville (TAS)

During 2018/19 the Company completed infrastructure associated with the expansion of the Granville Tin Mine (**Granville**) located on the west coast of Tasmania and commenced Level 2 operations. Following delays with the construction of a new tailings storage facility (**TSF**), in March 2019 the Company transitioned from contract mining to owner mining, and post year end commenced its own crushing operations. Operations at Granville have proved challenging and at the time of this report a strategic review on the operation is being undertaken during which time operations will be reduced or suspended.

Granville is a high-grade tin skarn located in the aureole of the Heemskirk Granite. From grade control drilling tin grades up to 4.9%Sn, 3m deep have been reported, with mineralisation occurring over approx. 15m wide, 60m long mineralised zone. High-grade material is generally free dig with excavator with sections requiring blasting. Owing to the absence of a crusher during the 2018/19 year, high-grade material treated from the mine during the year was limited to a mineralised shale and sorted skarn that detrimentally impacted processing operations.

REVIEW OF OPERATIONS (continued)

Figure 2 – Overview of open cut pit with skarn material (orange) shown at the base of the open cut pit

During 2018/19 construction of the new TSF was completed adjacent to the plant and processing operations resumed albeit largely on stockpiles of coarse, low-grade scats, tailings and a limited amount of sorted material from the mine. During the year 1,045 tonnes at an average 1.16%Sn was processed to produce 11 tonnes of pre-concentrate produced. In April an initial 4 tonnes of tin concentrate was dispatched from site.

Figure 3 – Completion of New Tailings Storage Facility (TSF) at Granville Tin Project

Subsequent to year end a second-hand crushing plant was commissioned enabling the target size material to be delivered to the mill for processing, resulting in improved production of pre-concentrate (**Figure 4**). However, at the time of this report equipment failure of mine equipment, coupled with selected key performance indicators (**KPIs**) having yet to be achieved, the Company decided to undertake a strategic review on the operation during which time operations will be reduced or suspended, and a provision made against the value of inventory associated with recoverable tin from the old tailings storage facility. The objective of the strategic review is to determine the most economically efficient means of extracting value from the project.

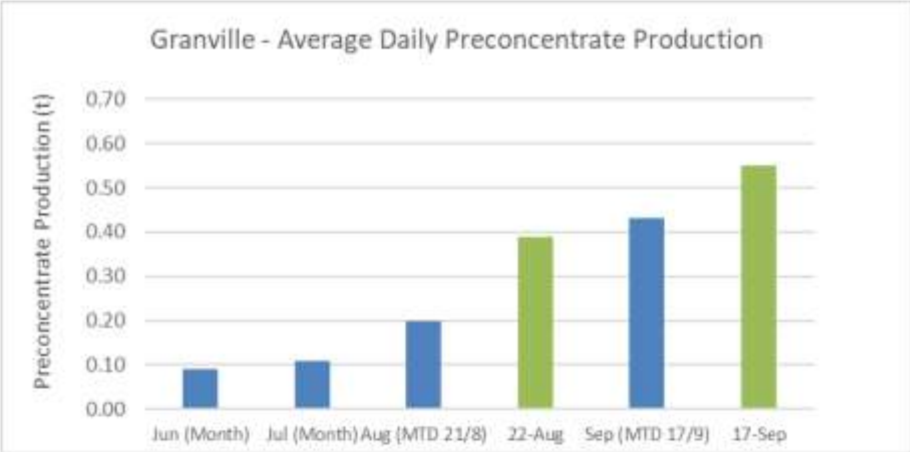

Figure 4 – Average daily preconcentrate production (updated graph from ASX Announcement of 23 August 2019)

Mt Cobalt (QLD)

During 2018/19 the Company completed separate drill programs at the Pembroke and Mt Cobalt prospects, both located near Kilkivan in south-east Queensland. At Pembroke the deepest drilling yet undertaken at the project, identified a new zone of nickel-copper associated sulphide mineralisation below a zone of magnetite (and the source of the magnetic anomaly). Assay results up to 1.085%Ni, 352ppmCo, coupled with the orientation of sulphides observed in sections of diamond core[2], are indicative of radial fracturing concentrating sulphide mineralisation through fluid pathways in the surrounding host. Petrographic assessment suggests this surrounding host is the result of intense metasomatic replacement and may represent a metamorphic halo at the edge of a main mineralised zone (**Figure 5**). Future programs of drilling at Pembroke will target this potential main mineralised zone.

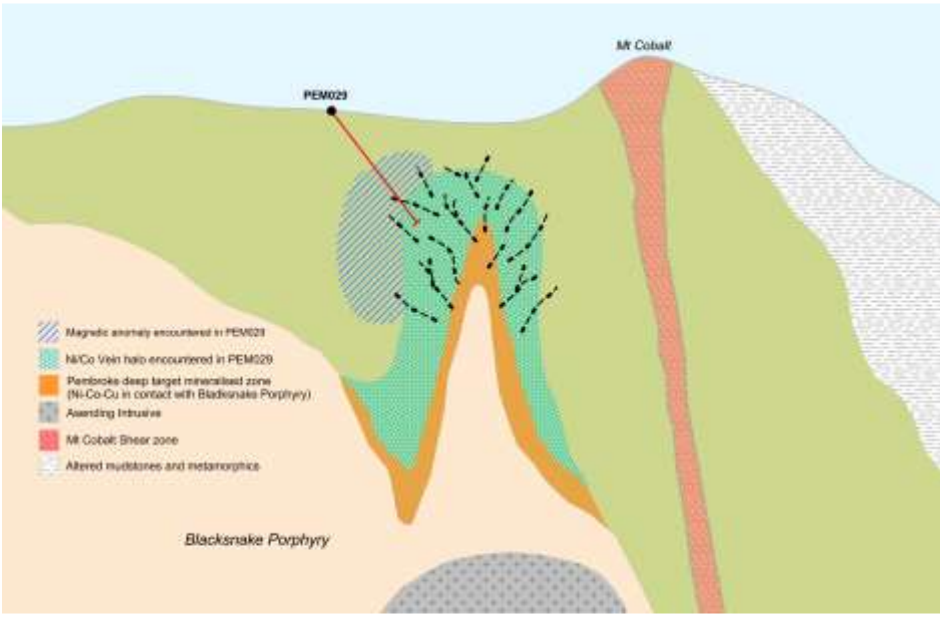

Figure 5 – Schematic geological interpretation of Pembroke mineralisation (NOT TO SCALE)

[2] Refer Figure 2, ASX Release dated 18 January 2019

REVIEW OF OPERATIONS (continued)

At Mt Cobalt a program of five holes confirmed high-grade nickel intersections up to 1.6%Ni near surface and the existence of shear-zones north of previous drilling. Notwithstanding an absence of the elevated cobalt or manganese assays in this latest program, previous drilling in 2016 and 2018 did indicate not all shear zones were mineralised with asbolite, and the Company will continue to explore this northern extension in due course.

Competent Persons Statement

The information in this presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of Aus Tin Mining. Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

The information that relates to Mineral Resources is based on information extracted from the report entitled "Maiden JORC Resource Estimated for the Taronga Tin Project" created on 26th August 2013 and is available to view on www.austinmining.com.au Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In the information in this Announcement that relates to Ore Reserves is based on information extracted from the report entitled "Pre-Feasibility Study Advances the Taronga Tin Project" created on 7th April 2014 and is available to view on www.austinmining.com.au. Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

DIRECTORS' REPORT

Your Directors submit their report for the financial year ended 30 June 2019.

DIRECTORS

The names of the Directors in office during the financial year and up to the date of this report are:-

Brian Moller
Nicholas Mather
John Bovard
Richard Willson

The details of the Directors in office at the date of this report are as follows:

Brian Moller – Non-Executive Chairman (appointed 21 October 2010)
LLB (Hons)

Brian Moller is a corporate partner in the Brisbane based law firm Hopgood Ganim. He was admitted as a solicitor in 1981 and has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.

He holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas. During the past three years Mr Moller has also served as a director of the following listed companies:

- DGR Global Limited (since 2 October 2002);
- Platina Resources Limited (since 30 January 2007);
- Dark Horse Resources Limited (since 22 January 2003);
- SolGold plc, which is dual listed on the London Stock Exchange and the Toronto Stock Exchange (since 11 May 2005);
- Aguia Resources Limited (since 18 December 2013); and
- Lithium Consolidated Mineral Exploration Limited (since 13 October 2016).

Mr Moller is a member of the Audit and Risk Management Committee**.**

Nicholas Mather – Non-Executive Director (appointed 21 October 2010)
BSc (Hons,Geol), MAusIMM

Nick Mather's special area of experience and expertise is the generation of and entry into undervalued or unrecognized resource exploration opportunities. He has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Mr Mather brings a wealth of valuable experience.

During the past three years Mr Mather has also served as a director of the following listed companies:

- DGR Global Limited (26 October 2001);
- Dark Horse Resources Limited (22 January 2003);
- Armour Energy Limited (since 18 December 2009);
- Lakes Oil NL (since 7 February 2012);
- SolGold plc, which is dual listed on the London Stock Exchange and the Toronto Stock Exchange (since 11 May 2005); and
- IronRidge Resources Limited, which is listed on the London Stock Exchange (AIM) (since 5 September 2007).

DIRECTORS' REPORT (CONTINUED)

John Bovard – Non-Executive Director (appointed 18 January 2013)
BE Civil, FAusIMM

John Bovard is a civil engineer with over 40 years' experience in mining, heavy construction, project development and corporate management throughout Australia. His career to date has included roles as CEO of public companies and both Executive and Non-Executive Directorships. He holds a Bachelor's Degree in Civil Engineering, is a Fellow of the Australasian Institute of Mining and Metallurgy, and a Fellow of the Australian Institute of Company Directors.

He was also Project Manager for the $A800 million Phosphate Hill Fertiliser Project for Western Mining Corporation (WMC) situated south of Mount Isa in Queensland, Australia. Other previous project experience includes managing the construction of the Porgera Mine in Papua New Guinea, the Super Pit expansion at Kalgoorlie, and the development of the Bronzewing Gold Mine in Western Australia. He was previously the General Manager of the giant OK Tedi porphyry Copper Gold Mine. Mr Bovard's corporate profile, together with his extensive experience in south west Pacific mining operations and construction is considered to be of great value to Aus Tin Mining Limited.

During the past three years Mr Bovard has also served as a director of the following listed companies:

- SolGold plc, which is dual listed on the London Stock Exchange and the Toronto Stock Exchange (2 November 2009 - 20 December 2018)

Mr Bovard is a member of the Audit and Risk Management Committee**.**

Richard Willson – Non-Executive Director (appointed 18 January 2013)
BAc, FCPA, FAICD

Richard is an experienced, Non-Executive Director, Company Secretary and CFO with more than 20 years' experience predominantly within the mining, technology and agricultural sectors for both publicly listed and private companies. Richard has a Bachelor of Accounting from the University of South Australia, is a Fellow of CPA Australia, and a Fellow of the Australian Institute of Company Directors.

During the past three years Mr Willson has also served as a director of the following listed companies:

- Titomic Limited (since 17 May 2017)
- Thomson Resources Limited (since 31 July 2019)

Mr Willson is the Chair of the Audit and Risk Management Committee.

As at the date of this report, the interests of the Directors in the shares and options of Aus Tin Mining Limited were:

	Number of ordinary shares	Number of options over ordinary shares
Brian Moller	21,104,932	10,000,000
Nicholas Mather	91,462,257	10,000,000
John Bovard	16,358,577	10,000,000
Richard Willson	5,827,970	10,000,000

COMPANY SECRETARY

Karl Schlobohm – Company Secretary
B.Comm, B.Econ, M.Tax, CA, FGIA

Karl Schlobohm is a Chartered Accountant with over 25 years' experience across a wide range of industries and businesses. He has extensive experience with financial accounting, corporate governance, company secretarial duties and board reporting. Over the past 5 years, Mr Schlobohm has contracted into roles as CFO and/or Company Secretary for a number of ASX-listed resource companies including Linc Energy, Discovery Metals and Meridian Minerals.

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

DIRECTORS' REPORT (CONTINUED)

CORPORATE STRUCTURE

Aus Tin Mining Ltd is a company limited by shares that is incorporated and domiciled in Australia. It was converted to a public company on 23 October 2008, and became an ASX-listed company on 21 October 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year involved exploration for tin, nickel and other commodities.

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

DIVIDENDS

No dividend was declared or paid.

SIGNIFICANT EVENTS AFTER REPORTING DATE

On 7 August 2019, 9,431,758 unlisted options exercisable at $0.025 at the end of each calendar quarter through to 30 June 2022 were issued. The options were issued on the basis of 1 option for every 10 shares issued to eligible investors pursuant to the Share Purchase Plan which closed on 24 May 2019 or the private placement to sophisticated and professional investors announced on 12 April 2019.

On 20 September 2019, the Group announced to the market that it is undertaking a strategic review of Granville in order to determine the most economically efficient means of extracting value from the project. This will inevitably necessitate a period during which operations will be reduced or even suspended, and based on the outcome of the review, while any appropriate restructure is carried to achieve greater possible efficiencies at site.

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

REVIEW AND RESULTS OF OPERATIONS

The loss after income tax for the Group for the year ended 30 June 2019 was $4,908,817 (2018: $3,007,536). The increase in the loss for the year was primarily due to:

- Increase in Granville operating costs of $251,861;
- Increase in movement in fair value of convertible notes of $956,282;
- Recognition of provision for impairment against inventory of $1,307,132; and offset by
- Decrease in share based payment expenses in respect of employee benefit expense of $457,408;
- Decrease in corporate employee benefits expense of $121,992; and
- Decrease in depreciation charge for the year of $94,249.

The review of operations for the year is discussed in the Annual Report under the heading "Review of Operations".

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or the financial statements of the Group for the financial year.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Planned developments in the operations of the Group and the expected results of those operations in subsequent financial years have been discussed where appropriate in the Annual Report under Review of Operations.

There are no further developments of which the Directors are aware which could be expected to affect the results of the Group's operations and plans, other than information which the Directors believe comment on, or disclosure of, would prejudice the interests of the Group.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Directors have put in place strategies and procedures to ensure that the Group manages its compliance with environmental regulations. The Directors are not aware of any breaches of any applicable environmental regulations.

PROCEEDINGS ON BEHALF OF GROUP

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

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001*.

REMUNERATION REPORT (AUDITED)

Remuneration Policy

The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Group. Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

The Group aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group. The Board's policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company's specific policy for determining the nature and amount of remuneration of Board members of the Company is as follows:

The Constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is $350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-Executive Directors. A Non-Executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the Company.

All Directors have the opportunity to qualify for participation in the Directors' and Executive officers' option plan, subject to the approval of shareholders.

The remuneration of Non-Executive Directors for the year ended 30 June 2019 is detailed in this Remuneration Report.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Executive Remuneration

The Company aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executives may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

The remuneration of the Executives employed by the Company for the year ended 30 June 2019 is detailed in this Remuneration Report.

Relationship between remuneration and Company performance

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

The Company listed on the ASX on 21 October 2010. The following table show the share price at the end of the financial year for the Company for the past five years:

	30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019
Share price at year end	$0.005	$0.007	$0.007	$0.017	$0.009
Loss per share (cents)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)

There were no dividends paid during the year ended 30 June 2019 and the previous four years.

As the Company is still in the exploration and development stage, the link between remuneration, Company performance and shareholder wealth is tenuous. Share prices are subject to the influence of metals prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration. The Company has not sought the advice of Remuneration Consultants.

Employment contracts

It is the Board's policy that employment agreements are entered into with all Executives and employees.

The current executive services agreement with the CEO has a notice period of three (3) months.

All other employment agreements have one month (or less) notice periods.

The terms of appointment for Non-Executive Directors are set out in letters of appointment.

Salaried Executives are entitled to their statutory entitlements of accrued annual leave and long service leave together with any superannuation on termination. No other termination payments are payable.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Chief Executive Officer

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

Under the terms of the Executive Service Agreement:

- Mr Williams is entitled to an annual base remuneration of $271,500 excluding superannuation;
- Both the Company and Mr Williams are entitled to terminate the contract upon giving three (3) months written notice.
- The Company is entitled to terminate the agreement immediately upon Mr Williams's insolvency or certain acts of misconduct.
- Mr Williams may become eligible for contractual bonuses of up to a further 40 percent of base salary annually, based on achieving certain specified performance criteria which include measurable factors associated with share price appreciation (40%), project delivery (30%) and capital management (30%). These factors were deemed to be appropriate as it correlates with increase in shareholder value.

The proportion of performance-based payments paid/payable or forfeited to the Chief Executive Officer during the year is as follows:

Performance Payment Paid/Payable		Performance Payment Forfeited	
2019	2018	2019	2018
-	-	100%	100%

Other Executives

Employment contracts entered into with other Executives contain the following key terms:

Event	Company Policy
Performance based salary increases and/or bonuses	Board discretion
Short and long-term incentives, such as options	Board discretion
Resignation/ notice period	1 month
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulations (i.e. 'golden handshakes')	None
Duration	No fixed duration

Details of Key Management Personnel

The following persons were Directors of the Company:

(i) Directors

Brian Moller	Non-Executive Chairman
Nicholas Mather	Non-Executive Director
John Bovard	Non-Executive Director
Richard Willson	Non-Executive Director

The following persons were Executives of the Company:

(ii) Other Key Management Personnel

Peter Williams	Chief Executive Officer
Karl Schlobohm	Company Secretary
Priy Jayasuriya*	Chief Financial Officer

* Priy Jayasuriya is currently remunerated by DGR Global Limited.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration of Directors and Other Key Management Personnel

The below table represents the remuneration of Directors and Other Key Management personnel for the period 1 July 2018 to 30 June 2019.

	Short term benefits		Post-employment	Share based payments Equity settled		Total	% Consisting of options	% Performance related
	Salary & fees $	Bonus $	Superannuation $	Options $	Shares $	$		
Directors								
Brian Moller								
- 2019	50,000	-	-	-	-	50,000	-	-
- 2018	50,000	-	-	53,394	-	103,394	52%	-
Nicholas Mather								
- 2019	100,000	-	-	-	-	100,000	-	-
- 2018	100,000	-	-	53,394	-	153,394	35%	-
John Bovard								
- 2019	40,000	-	-	-	-	40,000	-	-
- 2018	40,000	-	-	53,394	-	93,394	57%	-
Richard Willson								
- 2019	40,000	-	-	-	-	40,000	-	-
- 2018	40,000	-	-	53,394	-	93,394	57%	-
Executives								
Peter Williams								
- 2019	271,500	-	19,306	-	-	290,806	-	-
- 2018	271,500	-	19,308	81,088	-	371,896	22%	-
Karl Schlobohm								
- 2019	50,000	-	-	-	-	50,000	-	-
- 2018	50,000	-	-	6,082		56,082	11%	-
Priy Jayasuriya[1]								
- 2019	-	-	-	-	-	-	-	-
- 2018	-	-	-	6,082	-	6,082	100%	-
Total remuneration								
- **2019**	**551,500**	**-**	**19,306**	**-**	**-**	**570,806**		
- **2018**	**551,500**	**-**	**19,308**	**306,828**	**-**	**877,636**		

[1] Priy Jayasuriya is remunerated by DGR Global Ltd.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (CONTINUED)

Remuneration of Directors and Other Key Management Personnel (continued)

There were no other executives employed or remunerated by the Company during the years ended 30 June 2019 and 2018.

Performance income as a proportion of total remuneration

There was no performance based remuneration granted during the year ended 30 June 2019 (2018: nil).

Options issued as part of remuneration for the year ended 30 June 2019

Options may be issued to Directors and Executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to the majority of Directors and Executives of the Company to align comparative shareholder return and reward for Directors and Executives.

There were no options issued as part of remuneration for the year ended 30 June 2019 (2018: 63,000,000).

Shares issued on exercise of remuneration options

There were no options exercised during the year that were previously granted as remuneration (2018: nil).

Performance shares issued as part of remuneration for the year ended 30 June 2019

There were no performance shares issued during the year ended 30 June 2019 (2018: nil).

Additional disclosures relating to key management personnel

Shareholdings

Current Year	Balance 1 July 2018	Received as part of remuneration	Received on exercise of options or performance shares	Net change other	Balance 30 June 2019
Directors					
Brian Moller	19,741,297	-	-	1,363,635	21,104,932
Nicholas Mather	90,098,623	-	-	1,363,634	91,462,257
John Bovard	15,904,032	-	-	454,545	16,358,577
Richard Willson	5,373,425	-	-	454,545	5,827,970
Other Key Management Personnel					
Peter Williams	60,186,099	-	-	1,405,181	61,591,280
Karl Schlobohm	2,500,000	-	-	(820,334)	1,679,666
Priy Jayasuriya	-	-	-	-	-
Total	**193,803,476**	**-**	**-**	**4,221,206**	**198,724,682**

[1] "Net change other" above includes the balance of shares held on appointment / resignation, shares acquired or sold for cash on similar terms and conditions to other shareholders and shares issued for director fees in lieu of cash as approved at the Annual General Meeting.

There were no shares held nominally at 30 June 2019.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (CONTINUED)

Additional disclosures relating to key management personnel (continued)

Option holdings

	Balance 1 July 2018	Granted as remuneration	Options exercised	Net change other[1]	Balance 30 June 2019	Total vested	Total vested and exercisable	Total vested and unexercisable
Directors								
Brian Moller	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Nicholas Mather	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
John Bovard	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Richard Willson	10,000,000	-	-	-	10,000,000	10,000,000	10,000,000	-
Other Key Management Personnel								
Peter Williams	20,000,000	-	-	-	20,000,000	20,000,000	20,000,000	-
Karl Schlobohm	1,500,000	-	-	-	1,500,000	1,500,000	1,500,000	-
Priy Jayasuriya	1,500,000	-	-	-	1,500,000	1,500,000	1,500,000	-
Total	**63,000,000**	**-**	**-**	**-**	**63,000,000**	**63,000,000**	**63,000,000**	**-**

[1] "Net change other" above includes the balance of options held on appointment/resignation, expired options and options acquired on similar terms and conditions to other shareholders.

Refer to note 21 in the notes to the financial statements for terms and conditions of the share based payment arrangements.

REMUNERATION REPORT (CONTINUED)

Additional disclosures relating to key management personnel (continued)

Performance Shares

There were no performance shares on issue during the year ended 30 June 2019 (2018: nil).

Loans to Key Management Personnel

There were no loans to Directors or other key management personnel during the current year (2018: nil).

Amounts owing to Key Management Personnel

As at 30 June 2019, total amount owing to key management personnel in respect of remuneration is $340,862 (2018: $288,109).

Other Transactions with Key Management Personnel

Director related party		Sales to related parties	Purchases from related parties	Other transactions with related parties
HG Corporate Consulting Pty Ltd (i)	2019	-	13,495	-
	2018	-	27,296	-

(i) Mr Brian Moller (a Director), is a partner in the Australian firm Hopgood Ganim lawyers. For the year ended 30 June 2019, $13,495 (2018: $27,296) was paid or payable to Hopgood Ganim for the provision of legal services to the Group. The services were based on normal commercial terms and conditions. The total current amount payable at year end was $11,041 (2018: $27,296).

(End of Remuneration Report)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Board		Audit & Risk Management Committee	
	Number of meetings held while in office	Meetings attended	Number of meetings held while in office	Meetings attended
Brian Moller	8	8	2	2
Nicholas Mather	8	7	n/a	n/a
John Bovard	8	6	2	1
Richard Willson	8	7	2	2

INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITOR

Each of the Directors and Secretary of the Company has entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors. The Company has insured all of the Directors. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances.

The Company has not indemnified or insured its auditor.

OPTIONS

At the date of this report, the unissued ordinary shares of Aus Tin Mining Ltd under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number under Option
16 June 2017	16 June 2020	$0.02	62,500,000
3 November 2017	3 November 2020	$0.0135	31,250,000
9 November 2017	14 June 2020	$0.02	26,750,000
29 November 2017	16 June 2020	$0.02	40,000,000
1 March 2018	30 June 2020	$0.05	7,500,000
15 June 2018	30 June 2020	$0.05	1,000,000
25 June 2018	25 June 2021	$0.035	41,250,000
17 January 2019	17 January 2022	$0.035	16,500,000
24 April 2019	22 April 2022	$0.03	7,272,727

No shares have been issued as a result of the exercise of share options since 1 July 2018. Share options do not carry any voting or dividend rights.

NON-AUDIT SERVICES

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

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration forms part of the Directors' Report and can be found on page 22.

Signed in accordance with a resolution of Directors:

Brian Moller
Non-Executive Chairman

Brisbane

Date: 27 September 2019

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Australia

DECLARATION OF INDEPENDENCE BY D P WRIGHT TO THE DIRECTORS OF AUS TIN MINING LTD

As lead auditor of Aus Tin Mining Ltd for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Aus Tin Mining Ltd and the entities it controlled during the year.

D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 27 September 2019

Shareholder Information

(a) Distribution Schedule

Fully Paid Ordinary Shares, and Unlisted Options

	Ordinary Shares		Unlisted $0.02 options exercisable on or before 14 June 2020		Unlisted $0.05 options exercisable on or before 30 June 2020	
	Number of holders	**Number of shares**	**Number of holders**	**Number of options**	**Number of holders**	**Number of options**
1 – 1,000	77	7,611	-	-	-	-
1,001 – 5,000	6	19,847	-	-	-	-
5,001 – 10,000	68	672,310	-	-	-	-
10,001 – 50,000	335	10,809,996	-	-	-	-
50,000 – 100,000	210	17,297,551	-	-	-	-
100,001 and over	919	2,228,546,112	16	129,250,000	4	8,500,000
Total	**1,589**	**2,257,353,427**	**16**	**129,250,000**	**4**	**8,500,000**

Unlisted $0.0135 options exercisable on or before 3 November 2020		Unlisted $0.035 options exercisable on or before 25 June 2021		Unlisted $0.035 options exercisable on or before 17 January 2022	
Number of holders	**Number of options**	**Number of holders**	**Number of options**	**Number of holders**	**Number of options**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1	31,250,000	1	41,250,000	1	16,500,000
1	**31,250,000**	**1**	**41,250,000**	**1**	**16,500,000**

Shareholder Information (continued)

(a) Distribution Schedule (continued)

	Unlisted $0.03 options exercisable on or before 22 April 2022		Unlisted $0.025 options exercisable on or before 30 June 2022	
	Number of holders	Number of options	Number of holders	Number of options
1 – 1,000	-	-	-	-
1,001 – 5,000	-	-	1	4,154
5,001 – 10,000	-	-	1	9,090
10,001 – 50,000	-	-	85	2,737,086
50,000 – 100,000	-	-	16	1,459,089
100,001 and over	1	7,272,727	37	5,222,339
Total	**1**	**7,272,727**	**140**	**9,431,758**

The number of shareholders holding less than a marketable parcel of shares is 553 (holding a total of 15,630,063 ordinary shares).

Shareholder Information (continued)

(b) Twenty Largest Holders

The names of the twenty largest holders of ordinary shares in Aus Tin Mining Ltd as at 16 September 2019 are:

Ordinary shares:

Rank	Name	16 Sep 2019	%IC
1	DGR GLOBAL LIMITED	362,197,351	16.05
2	A.C.N. 604 719 520 PTY LIMITED <THE BALLOTTA A/C>	230,000,000	10.19
3	TENSTAR TRADING LIMITED	111,595,779	4.94
4	CITICORP NOMINEES PTY LIMITED	69,488,498	3.08
5	SAMUEL HOLDINGS PTY LTD <DISCRETIONARY A/C>	67,348,176	2.98
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	40,197,608	1.78
7	MR WILLIAM PETER WILLIAMS & MRS DONNA ADELE WILLIAMS <WILLIAMS S/F A/C>	37,362,974	1.66
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	34,686,116	1.54
9	MOUNT ERRIGAL INVESTMENTS PTY LTD <MATAYA FAMILY A/C>	30,000,000	1.33
9	MR KARL LUDWIG HAMANN	30,000,000	1.33
10	AUSTRALIAN MINERAL INVESTMENTS PTY LTD	26,000,000	1.15
11	MR BRIAN MOLLER	19,101,689	0.85
12	MR GEOFFREY BRUCE NEWNHAM	18,005,951	0.80
13	MR CHRISTOPHER CARL DAKIN & MRS SIMONE DENISE DAKIN <DAKIN FAMILY A/C>	18,000,000	0.80
14	MR DONALD SPENCER SLATTER & MRS LYNDEL JOY SLATTER <SLATTER FAMILY SUPER A/C>	17,600,000	0.78
15	MS ALICE CHRISTOU	17,555,745	0.78
16	THE AUSTRALIAN SPECIAL OPPORTUNITY FUND LP	17,452,188	0.77
17	MR KERRY JOHN MCKINNA	16,919,322	0.75
18	STERLING MINING GROUP PTY LTD	16,358,577	0.72
19	PADIC PTY LTD <WILLIAMS FAMILY A/C>	15,335,385	0.68
20	MR GAIL MCDERMOTT <R & G MCDERMOTT FAMILY A/C>	15,166,667	0.67
	Top 20	**1,210,382,395**	**53.62**
	Total	**2,257,353,427**	**100.00**

Shareholder Information (continued)

(c) Substantial shareholders

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

Name	Number of Shares	Current %
DGR Global Ltd	362,197,351	16.05%
Australian Mineral Investments Pty Ltd	256,000,000	11.34%

(d) Voting rights

All ordinary shares carry one vote per share without restriction.

(e) Unquoted equity securities greater than 20%

The Australian Special Opportunity Fund LP currently holds approximately 62.23% of the unquoted options in the Company as tabled below.

Number of Options	Exercisable Price	Exercisable By	% of that Class of Equities
62,500,000	$0.02	16/06/2020	100%
31,250,000	$0.0135	03/11/2020	100%
41,250,000	$0.035	25/06/2021	100%
16,500,000	$0.035	17/01/2022	100%

INTEREST IN TENEMENTS

As at the date of this report, the Company has an interest in the following tenements.

Tenement	Holder	% Interest	Grant Date	Expiry Date	Term
EPM 19366	Aus Tin Mining Ltd	100%	9.08.12	8.08.22	10 years
EL 7800*	Taronga Mines Pty Ltd	100%	4.07.11	3.07.19	8 years
EL 7801	Taronga Mines Pty Ltd	100%	4.07.11	3.07.21	10 years
EL 8335	Taronga Mines Pty Ltd	100%	5.01.15	4.01.21	6 years
EL 8407	Taronga Mines Pty Ltd	100%	4.11.15	3.11.23	8 years
EL 8637	Taronga Mines Pty Ltd	100%	31.08.17	30.08.20	3 years
EL 8639	Taronga Mines Pty Ltd	100%	31.08.17	30.08.20	3 years
ML1774	Taronga Mines Pty Ltd	100%	21.09.18	21.12.29	11 years
21M/2003	Tenstar Mining Pty Ltd	100%	4.04.16	5.03.22	6 years
9M/2006	Tenstar Mining Pty Ltd	100%	4.04.16	5.03.22	6 years

*Renewal applications have been submitted to the relevant State Departments and the Group has no reason to believe the renewals will not be granted.

CORPORATE GOVERNANCE STATEMENT

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

The 2019 corporate governance statement is dated as at 27 September 2019 and reflects the corporate governance practices in place throughout the 2019 financial year. The 2019 corporate governance statement was approved by the board on 27 September 2019. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at www.austinmining.com.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Notes	2019 $	2018 $
Revenue	2	-	61,511
Cost of sales		-	(34,194)
Gross profit/(loss)		**-**	**27,317**
Other income	2	643	-
Other expenses	3	(4,753,846)	(2,653,135)
Profit/(loss) before income tax and net finance expenses		**(4,753,203)**	**(2,625,818)**
Finance income	2	11,174	6,089
Financial expenses	3	(101,566)	(387,807)
Profit/(loss) before income tax expense		**(4,843,595)**	**(3,007,536)**
Income tax (expense)/benefit	4	(65,222)	-
Profit/(loss) for the year attributable to owners of the Company		**(4,908,817)**	**(3,007,536)**
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year attributable to owners of the Company		**(4,908,817)**	**(3,007,536)**

Earnings per share attributable to owners of the Company		**Cents per share**	**Cents per share**
Basic earnings per share	8	(0.3)	(0.2)
Diluted earnings per share	8	(0.3)	(0.2)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

	Notes	2019 $	2018 $
Current assets			
Cash and cash equivalents	9	470,230	790,307
Trade and other receivables	10	63,636	62,185
Inventories	11	61,147	1,014,236
Other current assets	12	180	121,080
Total current assets		**595,193**	**1,987,808**
Non-current assets			
Other financial assets	13	745,789	442,409
Property, plant and equipment	15	825,912	228,039
Exploration and evaluation assets	16	11,096,054	10,348,619
Total non-current assets		**12,667,755**	**11,019,067**
Total assets		**13,262,948**	**13,006,875**
Current liabilities			
Trade and other payables	17	1,394,994	1,144,963
Borrowings	18	3,941,004	-
Total current liabilities		**5,335,998**	**1,144,963**
Non-current liabilities			
Provisions	19	628,335	150,000
Borrowings	18	-	1,484,722
Total non-current liabilities		**628,335**	**1,634,722**
Total liabilities		**5,964,333**	**2,779,685**
Net assets		**7,298,615**	**10,227,190**
Equity			
Issued capital	20	22,404,815	20,456,695
Reserves		1,707,182	1,675,060
Accumulated losses		(16,813,382)	(11,904,565)
Total equity attributable to owners of Aus Tin Mining Ltd		**7,298,615**	**10,227,190**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

	Issued Capital $	Share Based Payment Reserve	Accumulated Losses $	Total Equity $
Balance at 1 July 2017	**17,577,453**	**1,217,652**	**(8,897,029)**	**9,898,076**
Loss for the year	-	-	(3,007,536)	(3,007,536)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(3,007,536)	(3,007,536)
Transactions with owners in their capacity as owners				
Shares issued during the year	2,985,000	-	-	2,985,000
Share issue costs, net of tax	(105,758)	-	-	(105,758)
Share based payments	-	457,408	-	457,408
Balance at 30 June 2018	**20,456,695**	**1,675,060**	**(11,904,565)**	**10,227,190**
Loss for the year	-	-	(4,908,817)	(4,908,817)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(4,908,817)	(4,908,817)
Transactions with owners in their capacity as owners				
Shares issued during the year	1,994,548	-	-	1,994,548
Share issue costs, net of tax	(46,428)	32,122	-	(14,306)
Balance at 30 June 2019	**22,404,815**	**1,707,182**	**(16,813,382)**	**7,298,615**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	Notes	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers		-	61,511
Payments to suppliers and employees (inclusive of GST)		(829,023)	(818,415)
Financial costs paid		(31,566)	(87,808)
Interest received		11,174	6,089
Payments for mining operations		(1,571,357)	(1,019,627)
Net cash flows from operating activities	**23**	**(2,420,772)**	**(1,858,250)**
Cash flows from investing activities			
Payments for property, plant and equipment		(159,012)	(38,861)
Payments for security deposits		(303,380)	(232,000)
Payments for exploration and evaluation assets		(751,933)	(389,174)
Net cash flows from investing activities		**(1,214,325)**	**(660,035)**
Cash flows from financing activities			
Proceeds from the issue of shares		1,394,548	1,450,000
Proceeds from borrowings	18	2,000,000	2,000,000
Repayment of borrowings		-	(627,499)
Share issue costs		(79,528)	(105,758)
Net cash flows from financing activities		**3,315,020**	**2,716,743**
Net increase/(decrease) in cash and cash equivalents		(320,077)	198,458
Cash and cash equivalents at the beginning of the year		790,307	591,849
Cash and cash equivalents at the end of the year	**9**	**470,230**	**790,307**

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

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

Corporate Information

The financial report of Aus Tin Mining Ltd for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 27 September 2019.

Aus Tin Mining Ltd (the Company) is a public company limited by shares incorporated and domiciled in Australia. The Company's registered office is located at Level 27, 111 Eagle Street, Brisbane, QLD 4000.

The nature of the operations and principal activities of the Company are described in the Director's report.

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

Compliance with IFRS
Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of Aus Tin Mining Ltd comply with International Financial Reporting Standards (IFRS).

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

For the year ended 30 June 2019, the Group generated a consolidated loss of $4,908,817 and incurred operating cash outflows of $2,420,772. As at 30 June 2019 the Group had cash and cash equivalents of $470,230, net current liabilities of $4,740,805 and net assets of $7,298,615. Current liabilities included:

- Trade and other payables to the Group's major shareholder, DGR Global Ltd, totalling $621,392;
- Trade and other payables to Directors and management totalling $334,597.

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

- Raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the Group to continue progress its mineral properties and to meet the Group's working capital requirements; and

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2019

Basis of Preparation (continued)

Going concern (continued)

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

- The Group's major shareholder, DGR Global Ltd, Directors and Management have given written assurance that they will not call for the payment of the amounts outstanding to them until such time as the Group is in a position to pay same from the proceeds of a capital raising, or from its own cash flow. These parties may also consider the conversion of all or part of the amounts owing as part of any such capital raising, dependent on the circumstances. Furthermore, DGR Global Ltd has agreed to provide financial support if required until such time the Group completes a capital raising;
- Proven ability of the Group to raise the necessary funding or settle debts via the issuance of shares, as evidenced by the raising of $1,394,548 in cash and settlement of debts $600,000 during the year ended 30 June 2019.

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

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

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

Accounting Policies

(a) New Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Group has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2018:

Reference	Title	Application date of standard	Application date for the Group
AASB 2016-5	Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions	1 January 2018	1 July 2018
AASB 2016-6	Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts	1 January 2018	1 July 2018
AASB 2017-1	Amendments to Australian Accounting Standards - Transfers of Investment Property. Annual improvements 2014-2016 Cycle and Other Amendments	1 January 2018	1 July 2018
AASB 2017-3	Amendments to Australian Accounting Standards – Clarifications to AASB 4	1 January 2018	1 July 2018

Accounting Policies (continued)

(a) New Accounting Standards and Interpretations (continued)

The adoption of the above standards and interpretations did not have any material impact on the current or any prior period and is not likely to materially affect future periods.

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2019. On evaluating these standards and interpretations, management do not expect a material impact upon the financial statements on their adoption.

The Group anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information of new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below.

Reference	Title	Application date of standard	Application date for the Group
AASB 16*	Leases	1 January 2019	1 July 2019
AASB 2017-6	Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation	1 January 2019	1 July 2019
AASB 2017-7	Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures	1 January 2019	1 July 2019
AASB 2018-1	Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle	1 January 2019	1 July 2019
AASB 2018-2	Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement	1 January 2019	1 July 2019
AASB 17	Insurance Contracts	1 January 2021	1 July 2021

*Management has made an assessment of the effects of applying AASB 16 on the Group's financial statements and has determined that the adjustments to assets and liabilities are expected to be immaterial.

Accounting Policies (continued)

(b) Basis of Consolidation

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

Subsidiaries

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

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

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Aus Tin Mining Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues by the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or discount on acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Non-controlling interests are allocated their share of net profit after tax in the profit or loss and presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2019

Accounting Policies (continued)

(c) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

(d) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This may include start-up operations which are yet to earn revenues.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(e) Cash and Cash Equivalents

For the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

Accounting Policies (continued)

(f) Trade and other receivables

Receivables, generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

The Group has not recognised any expense in profit or loss in respect of the expected credit losses for the year ended 30 June 2019 (2018: Nil). Based on the historical recovery of receivables, the Group considers that no allowance for expected credit losses is appropriate.

(g) Inventories

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

(h) Financial Instruments

Recognition and Initial Measurement
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised in the Group statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position and profit or loss when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

Financial instruments are generally measured at initial recognition fair value and adjusted for transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Financial assets

Financial assets at amortised cost
Financial assets are measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows: and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principle amount outstanding.

Financial assets at amortised costs are subsequently measured using the effective interest (EIR) method and are subject to an impairment assessment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
Upon initial recognition Aus Tin Mining can elect to classify irrevocably its equity investments as equity instruments designated a fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. This is a new policy in the current year. Further details in regards to the change are outlined in section (w) Changes in Accounting Policies.

Aus Tin Mining elected to classify irrevocably 'Investment in available for sale securities' under this category.

Accounting Policies (continued)

(h) Financial Instruments (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a twelve-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next twelve months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Comparative figures for the year ended 30 June 2018 have not been restated and are still accounted for in accordance with AASB 139 Financial Instruments Recognition and Measurement.

Financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

Financial liabilities measured subsequently at amortised cost
Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated at FVTPL, are measured subsequently at amortised cost. The Group's financial liabilities comprise of trade and other payables which are measured at amortised cost.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows form the asset have expired: or
- Aus Tin Mining has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through' arrangement; and either (a) Aus Tin Mining has transferred substantially all the risks and rewards of the asset, or (b) Aus Tin Mining has neither transferred nor retained substantially all the risks and rewards of the asset; but has transferred control of the asset.

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

Accounting Policies (continued)

(i) Property, Plant & Equipment

Property, plant & equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant & equipment constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation
The depreciable amount of all property, plant & equipment is depreciated over their useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(j) Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

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

A provision is raised against exploration and evaluation expenditure where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

Accounting Policies (continued)

(j) Exploration and Evaluation Assets (continued)

Costs of site restoration are provided over the life of the area from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structure, waste removal, and rehabilitation of the site in accordance with clauses of mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that restoration will be completed within one year of abandoning the site.

(k) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30-60 days of recognition.

(m) Provisions and Employee Benefits

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee benefits

(i) Wages, salaries and annual leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Accounting Policies (continued)

(m) Provisions and Employee Benefits (continued)

(ii) Long service leave
The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wages and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(n) Leases

Leases of property, plant & equipment where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

(o) Share Capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

(p) Share-Based Payments

The Group may provide benefits to Directors, employees or consultants in the form of share-based payment transactions, whereby services may be undertaken in exchange for shares or options over shares ("equity-settled transactions").

The fair value of shares and options granted to Directors, employees and consultants is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the recipients become unconditionally entitled to the instruments. For options, fair value is determined using a Black-Scholes option pricing model.

Where the terms of equity instruments granted are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where equity instruments granted are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to the profit or loss. If new instruments are substituted for the cancelled instruments and designated as a replacement, the combined impact of the cancellation and replacement instruments are treated as if they were a modification.

(q) Revenue

The Group generates revenue from the sale of processed tin concentrate to an external customer. Revenue from contracts with customers is recognised when control of the goods and services is transferred to a customer at an amount that reflects the consideration to which the Group expects to be entitled to receive in exchange for those goods and services.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(q) Revenue (continued)

Sale of Tin
The Group's performance obligation on sale of processed tin concentrates is fulfilled when the concentrate is delivered to the buyer ex works Granville mine.

Interest
Interest revenue is recognized as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

(r) Income Tax

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

The charge for current income tax expense is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is recognised for all respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or liability is settled based on tax rates (and laws) that have been enacted or substantially enacted by the reporting date.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences and unused tax losses can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Current and deferred tax is recognised in profit or loss, except to the extent it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Aus Tin Mining Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Aus Tin Mining Ltd is responsible for recognising the current tax assets and liabilities and deferred tax assets attributable to tax losses for the tax consolidation group. The tax consolidated group have entered a tax funding agreement whereby each company in the tax consolidation group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidation group.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(t) Earnings per Share

Basic earnings per share is calculated as net profit (loss) attributable to owners of the Company, adjusted to exclude any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares (including collateral shares) outstanding during the year, adjusted for any bonus element.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- The after tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(u) Comparatives

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

(v) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(w) Convertible notes

Convertible notes are recognised initially at fair value and attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, any changes in fair value at each reporting date are recognised in profit or loss.

(x) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(y) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates – impairment of non-financial assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Where applicable, value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgements – exploration & evaluation assets

The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to reporting date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2019, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 "Exploration for and Evaluation of Mineral Resources".

Exploration and evaluation assets at 30 June 2019 were $11,096,054 (2018: $10,348,619).

Key judgements – share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of the assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(z) Critical Accounting Estimates and Judgments (continued)

Key judgements – convertible notes

The Group's convertible notes have been treated as a financial liability, in accordance with the principles set out in AASB 132. The key criterion for liability classification is whether there is an unconditional right to avoid delivery of cash for another financial asset to settle the contractual obligation. The terms and conditions applicable to the convertible notes require the Group to settle the obligation in either cash, or in the Company's own shares.

The notes are convertible into ordinary shares of the parent entity, at the option of the holder, or repayable in24 months from draw-down date. The conversion rate is based on a variable formula subject to adjustments for share price movement. Management determined that these terms give rise to a derivative financial liability. The initial consideration received for the note was deemed to be fair value of the liability at the issue date. The liability will subsequently be recognised on a fair value basis at each reporting period.

	2019 $	2018 $
Note 2. Revenue, other income and finance income		
Revenue		
- Sale of processed tin concentrates	-	61,511
Total Revenue	**-**	**61,511**
Other Income		
- Other income	643	-
Total Other Income	**643**	**-**
Finance Income		
- Interest income	11,174	6,089
Total Finance Income	**11,174**	**6,089**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 3: Production costs, other expenses and finance expenses

	2019 $	2018 $
Production costs		
Opening inventory	1,014,235	917,670
Employment and labour expenses	333,555	74,798
Chemicals and consumables	8,190	2,357
Earthmoving	-	17,781
Laboratory expenses	12,299	35,823
Ore processing	-	-
Provision for impairment	(1,307,132)	-
Closing inventory	(61,147)	(1,014,235)
Total production costs	**-**	**34,194**
Other expenses		
Administration and consulting expense	813,116	536,893
Management fees	192,000	192,000
Employee benefits expense	258,748	380,740
Exploration costs written off	-	1,036
Depreciation and amortisation	39,475	133,723
Legal expenses	12,171	43,552
Share based payments expense in respect of employee benefits expense	-	457,408
Movement in fair value of convertible notes	956,282	(15,278)
Other Granville operating costs	1,174,922	923,061
Provision for impairment	1,307,132	-
Total other expenses	**4,753,846**	**2,653,135**
Finance expenses		
Convertible note establishment fee	-	75,000
Interest expense	101,566	312,808
Total finance expenses	**101,566**	**387,808**

Note 4: Income tax

Components of tax expense / (benefit) comprise:		
Current tax	-	-
Deferred tax	65,222	-
	65,222	**-**
Components of tax recognised directly in equity comprise:		
Deferred tax	(65,222)	-
	(65,222)	**-**
The prima facie tax on profit / (loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on profit / (loss) before income tax at 30% (2018: 30%)	(1,453,079)	(902,261)
Add tax effect of:		
Derecognition of tax losses	1,447,171	765,039
Share based payments	-	137,222
Other	71,130	-
Less tax effect of:		
Recognition of tax losses	-	-
Income tax expense	**65,222**	**-**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 4: Income tax (continued)

	30 June 2018 $	Net charged to income	Net charged to equity	30 June 2019 $
Recognised deferred tax assets				
Unused tax losses	2,959,331	(56,549)	-	2,902,782
Deductable temporary differences	117,186	19,634	-	136,820
Capital raising costs in equity	32,606	(34,211)	65,222	63,617
Potential benefit at 30%	**3,109,123**	**(71,126)**	**65,222**	**3,103,219**
Recognised deferred tax liabilities				
Convertible note	(4,583)	286,884	-	282,301
Exploration and evaluation assets	(3,104,540)	(280,980)	-	(3,385,520)
Potential benefit at 30%	**(3,109,123)**	**5,904**	**-**	**(3,103,219)**
Net deferred tax recognised	**-**	**(65,222)**	**65,222**	**-**
Unrecognised deferred tax assets				
Unrecognised tax losses	20,176,548	6,771,626	-	26,948,174
Unrecognised deferred tax assets	6,052,964	2,031,488	-	8,084,452

	30 June 2017 $	Net charged to income	Net charged to equity	30 June 2018 $
Recognised deferred tax assets				
Unused tax losses	2,812,724	146,607	-	2,959,331
Deductable temporary differences	112,323	4,863	-	117,186
Capital raising costs in equity	55,992	(23,386)	-	32,606
Potential benefit at 30%	**2,981,039**	**128,084**	**-**	**3,109,123**
Recognised deferred tax liabilities				
Convertible note	-	**(4,583)**	**-**	(4,583)
Exploration and evaluation assets	(2,981,039)	(123,501)	-	(3,104,540)
Potential benefit at 30%	**(2,981,039)**	**(128,084)**	**-**	**(3,109,123)**
Net deferred tax recognised	**-**	**-**	**-**	**-**
Unrecognised deferred tax assets				
Unrecognised tax losses	9,820,854	10,355,694	-	20,176,548
Unrecognised deferred tax assets	2,946,256	3,106,708	-	6,052,964

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 5. Key Management Personnel

Key Management Personnel Compensation

The total remuneration of Key Management Personnel for the year was as follows:

	2019 $	2018 $
Short term employee benefits	551,500	551,500
Post-employment benefits	19,308	19,308
Share based payments	-	306,828
Total	**570,808**	**877,636**

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Key Management Personnel.

Note 6. Dividends and Franking Credits

There were no dividends paid or recommended during the year or since the end of the year (2018: none). There are no franking credits available to shareholders of the Company (2018: none).

	2019 $	2018 $
Note 7. Auditors Remuneration		
BDO Audit Pty Ltd:		
Audit and review of the financial reports	68,860	62,243
	68,860	**62,243**

Note 8. Earnings Per Share (EPS)

(a) Earnings	2019 $	2018 $
Earnings used to calculate basic and diluted EPS	(4,908,817)	(3,007,536)

	Number of Shares	Number of Shares
(b) Weighted average number of shares and options		
Weighted average number of ordinary shares outstanding during the year, used in calculating basic earnings per share	2,004,803,860	1,828,623,233
Weighted average number of dilutive options outstanding during the year		-
Weighted average number of ordinary shares and potential ordinary shares outstanding during the year, used in calculating diluted earnings per share	2,004,803,860	1,828,623,233

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

	2019 $	2018 $
Note 9. Cash and Cash Equivalents		
Cash at bank	470,230	790,307
	470,230	**790,307**
Note 10. Trade and Other Receivables		
GST receivable	63,636	62,185
	63,636	**62,185**

Receivables are non-interest bearing and are generally on 30-60 day terms. No allowance for expected credit losses has been recorded for the current and previous financial year.

Due to the short term nature of these receivables, their carrying value is assumed to approximate fair value. The maximum exposure to credit risk is the carrying value of receivables. Collateral is not held as security.

The receivables are not exposed to foreign exchange risk. No receivables were past due or impaired at 30 June 2019 (2018: nil).

Note 11. Inventories	2019 $	2018 $
Ore stockpiles	243,987	360,610
Tin in tailings	1,063,145	604,827
Finished goods	61,147	48,799
Provision for impairment	(1,307,132)	-
	61,147	**1,014,236**

The Group is undertaking a strategic review of Granville in order to determine the most economically efficient means of extracting value from the project. This will inevitably necessitate a period during which operations will be reduced or even suspended, and based on the outcome of the review, while any appropriate restructure is carried to achieve greater possible efficiencies at site. The Group have assessed and considered it prudent to recognise an impairment against the Ore stockpiles and Tin in tailings.

Note 12 Other Current Assets

	2019 $	2018 $
Prepayments	180	121,080
	180	**121,080**
Note 13. Other Financial Assets		
Security deposits	745,789	442,409
	745,789	**442,409**

Note 14 Controlled Entities

The group's principal subsidiaries at 30 June 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Controlled Entities	Country of Incorporation	Principle Activity	Principle Place of Business	Percentage owned 2019	Percentage owned 2018
New England Tin Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
Taronga Mines Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
Tenstar Mining Pty Ltd	Australia	Mine Development	Australia	100%	100%

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 15. Property, Plant and Equipment	2019 $	2018 $
Freehold land		
At cost	183,030	183,030
Accumulated depreciation	-	-
Written down value	**183,030**	**183,030**
Plant and equipment		
At cost	974,697	337,350
Accumulated depreciation	(340,466)	(304,888)
Written down value	**634,231**	**32,462**
Motor vehicles		
At cost	54,502	54,502
Accumulated depreciation	(47,319)	(44,309)
Written down value	**7,183**	**10,193**
Office equipment		
Office equipment – at cost	7,359	7,359
Accumulated depreciation	(5,891)	(5,005)
Written down value	**1,468**	**2,354**
Total written down value	**825,912**	**228,039**

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

	Freehold land $	Plant and equipment $	Motor vehicles $	Office equipment $	Total $
Year ended 30 June 2019					
At 1 July 2018 net of accumulated depreciation	183,030	32,462	10,193	2,354	228,039
Additions	-	159,013	-	-	637,348
Additions – recognition of Granville Rehabilitation Provision		478,335			
Disposals	-	-	-	-	-
Depreciation charge for the year	-	(35,579)	(3,010)	(886)	(39,475)
At 30 June 2019 net of accumulated depreciation	**183,030**	**634,231**	**7,183**	**1,468**	**825,912**

	Freehold land $	Plant and equipment $	Motor vehicles $	Office equipment $	Total $
Year ended 30 June 2018					
At 1 July 2017 net of accumulated depreciation	183,030	126,678	13,193	-	322,901
Additions	-	36,215	-	2,646	38,861
Disposals	-	-	-	-	-
Depreciation charge for the year	-	(130,431)	(3,000)	(292)	(133,723)
At 30 June 2018 net of accumulated depreciation	**183,030**	**32,462**	**10,193**	**2,354**	**228,039**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

	2019 $	2018 $
Note 16. Exploration and Evaluation Assets		
Exploration and evaluation assets	**11,096,054**	**10,348,619**
Movements in carrying amounts		
Balance at the beginning of the year	10,348,619	10,008,508
Expenditure during the year	747,435	341,147
Written-off during the year	-	(1,036)
Balance at the end of the year	**11,096,054**	**10,348,619**

The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

	2019 $	2018 $
Note 17. Trade and Other Payables		
Trade creditors	856,236	696,325
Accrued expenses	208,718	199,607
Employee benefits	274,811	194,561
Other payables	55,229	54,470
	1,394,994	**1,144,963**

Trade and other payables are non-interest bearing and are generally on 30-60 day terms.

Due to the short term nature of these payables, their carrying value is assumed to approximate fair value.

Note 18. Borrowings

	2019 $	2018 $
Secured		
Convertible note at fair value through profit or loss	3,941,004	1,484,722
Total secured current borrowings	**3,941,004**	**1,484,722**
Movements in carrying value		
Opening balance	1,484,722	1,000,000
Face value of convertible notes issued	2,000,000	2,000,000
Interest expense	100,000	300,000
Repayments during the year	(600,000)	(1,800,000)
Movement in fair value	956,282	(15,278)
Total non-current borrowings	**3,941,004**	**1,484,722**

Note 18. Borrowings (continued)

30 June 2019:

On 20 April 2018, Aus Tin Mining Ltd entered into a Convertible Security Funding Agreement (CFSA) with The Australian Special Opportunity Fund LP for an aggregate of $2.5 million. On 17 December 2018, Aus Tin Mining Ltd agreed that The Australian Special Opportunity Fund LP will advance a further $1.0 million bringing the total draw down under the CFSA to $3.5 million at 30 June 2019.

The principal terms of the Convertible Notes issued by Aus Tin Mining were as follows:

Issue Amount:	$3.5 million
Issue Price:	Face value of $4.2 million
Interest Rate:	10% per annum
Interest Payments:	Interest paid at the end of term (included in face value)
Maturity Date:	24 months
Conversion Terms:	For the first 10 months of the CSFA, Lind may elect to convert any outstanding amounts into ordinary shares in Aus Tin Mining Limited at $0.035 per share. For months 11 to 24, Lind may convert any outstanding amounts into ordinary shares in Aus Tin Mining Limited at the lesser of $0.035 per share and 90% of the average of five (5) consecutive daily VWAPs, chosen by Lind from amongst the 20 trading days prior to conversion.
Security:	The Convertible Notes are secured by a General Security Agreement over the Company and guarantee & indemnities from its wholly owned subsidiaries.
Options:	41,250,000 options exercisable at $0.035 per share with a 36 month term (refer to note 20 (c))
Collateral Shares:	15,000,000 shares (refer to note 20 (b))
Commitment Fee:	$75,000 (refer to note 3)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 18. Borrowings (continued)

30 June 2018:

On 20 April 2018, Aus Tin Mining Ltd entered into a Convertible Security Funding Agreement (CFSA) with The Australian Special Opportunity Fund LP for an aggregate of $2.5 million of which $1.5 million was drawn down at 30 June 2018. This Convertible Securities subscription is to meet exploration, general corporate and working capital costs and is anticipated to provide funding to production at Granville, pre-construction activities at Taronga and exploration at Mt Cobalt.

The principal terms of the Convertible Notes issued by Aus Tin Mining were as follows:

Issue Amount:	$2.5 million
Issue Price:	Face value of $3.0 million
Interest Rate:	10% per annum
Interest Payments:	Interest paid at the end of term (included in face value)
Maturity Date:	24 months
Conversion Terms:	For the first 10 months of the CSFA, Lind may elect to convert any outstanding amounts into ordinary shares in Aus Tin Mining Limited at $0.035 per share. For months 11 to 24, Lind may convert any outstanding amounts into ordinary shares in Aus Tin Mining Limited at the lesser of $0.035 per share and 90% of the average of five (5) consecutive daily VWAPs, chosen by Lind from amongst the 20 trading days prior to conversion.
Security:	The Convertible Notes are secured by a General Security Agreement over the Company and guarantee & indemnities from its wholly owned subsidiaries.
Options:	41,250,000 options exercisable at $0.035 per share with a 36 month term (refer to note 20 (c))
Collateral Shares:	15,000,000 shares (refer to note 20 (b))
Commitment Fee:	$75,000 (refer to note 3)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 19. Provisions	**2019 $**	**2018 $**
Non-current		
Provision for rehabilitation	**628,335**	**150,000**

	2019 $	**2018 $**
Carrying amount at start of year	150,000	150,000
Additional provision recognised	478,335	-
Carrying amount at end of year	**628,335**	**150,000**

The Group has conducted an extensive review of the environmental status of the Mining Leases associated with the Granville Mine site with a view to making an assessment of the appropriate provision it should make for liabilities in respect of rehabilitation and restoration. In the course of this exercise, a detailed assessment was conducted on potential costs for future rehabilitation and accordingly an additional restoration liability of $478,335 was recognised during the year in line with the mine life of the Granville project.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

	2019 $	2018 $
Note 20. Issued Capital		
(a) Issued and paid up capital		
2,175,364,179 (2018: 1,978,170,746) ordinary shares fully paid	22,928,276	20,933,728
Share issue costs	(588,683)	(477,032)
	22,339,593	**20,456,695**

Ordinary shares participate in dividends and the proceeds on winding up the Company in proportion to the number of shares held. At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on show of hands.

(b) Reconciliation of issued and paid-up capital	Number of Shares	$
At 30 June 2017	**1,672,657,946**	**17,577,453**
14 September 2017 (1)	25,000,000	150,000
18 December 2017 (2)	175,000,000	1,669,861
27 December 2017 (3)	55,555,556	488,351
31 January 2018 (4)	34,957,244	436,030
31 January 2018 (5)	-	135,000
25 June 2018 (6)	15,000,000	-
At 30 June 2018	**1,978,170,746**	**20,456,695**
17 January 2019 (7)	10,000,000	(2,261)
12 April 2019 (8)	12,396,696	147,578
24 April 2019 (9)	41,261,092	439,079
8 May 2019 (10)	21,978,022	197,309
30 May 2019 (11)	85,515,956	916,415
11 June 2019 (12)	26,041,667	250,000
	2,175,364,179	**22,404,815**

(1) On 14 September 2017, 25,000,000 $0.006 ordinary shares were issued as conversion shares pursuant to the Convertible security funding agreement with the Australian Special Opportunity Fund, L.P., a fund managed by The Lind Partners.

(2) On 18 December 2017, 175,000,000 $0.01 ordinary shares were issued in a private placement for cash, net of share issue cost of $80,139.

(3) On 27 December 2017, 55,555,556 $0.009 ordinary shares were issued as conversion shares pursuant to the Convertible security funding agreement with the Australian Special Opportunity Fund, L.P., a fund managed by the Lind Partners, net of share issue cost of $11,649.

(4) On 31 January 2018, 34,957,244 ordinary shares were issued as conversion shares pursuant to the Convertible security funding agreement with the Australian Special Opportunity Fund, L.P., a fund managed by the Lind Partners. Of this total, 12,393,111 ordinary shares were issued at 0.9 cents per share and 22,564,133 ordinary shares were issued at 1.5 cents per share, net of share issue costs of $13,970.

(5) On 31 January 2018, 15,000,000 ordinary shares issued for nil consideration as collateral shares on 16 June 2017 pursuant to Convertible Security Funding Agreement with the Australian Special Opportunity Fund, L.P., a fund managed by The Lind Partners were converted at $0.009 per share.

(6) On 25 June 2018, 15,000,000 ordinary shares were issued for nil consideration as collateral shares pursuant to Convertible Security Funding Agreement with the Australian Special Opportunity Fund, L.P., a fund managed by The Lind Partners.

(7) On 17 January 2019, 10,000,000 ordinary shares were issued for nil consideration as collateral shares pursuant to Convertible Security Funding Agreement with the Australian Special Opportunity Fund L.P., a fund managed by the Lind Partners, net of share issue cost of $2,261.

(8) On 12 April 2019, 12,396,696 $ 0.0121 ordinary shares were issued as Conversion shares pursuant to the Convertible Security Funding Agreement with the Australian Special Opportunity Fund L.P., a fund managed by the Lind Partners, net of share issue cost of $2,422.

Note 20. Issued Capital (continued)

(b) Reconciliation of issued and paid-up capital (continued)

(9) On 24 April 2019, 41,261,092 $0.011 ordinary shares were issues pursuant to a private placement, net of share issue cost of $14,793.

(10) On 8 May 2019, 21,978,022 $0.0091 ordinary shares were issued as Conversion shares pursuant to the Convertible Security Funding Agreement with the Australian Special Opportunity Fund L.P, a fund managed by the Lind Partners, net of share issue cost of 2,691.

(11) On 30 May 2019, 85,515,956 $0.011 ordinary shares were issued. 82,727,199 ordinary shares were issued pursuant to a share purchase plan and 2,788,757 were issued in satisfaction of certain employment and contractor liabilities, net of share issue cost of $24,261.

(12) On 11 June 2019, 26,041,667 $0.0096 ordinary shares were issued as Conversion shares pursuant to the Convertible Security Funding Agreement with the Australian Special Opportunity Fund L.P, a fund managed by the Lind Partners.

(c) Options

As at 30 June 2019, there were 234,022,727 unissued ordinary shares of Aus Tin Mining Ltd under option, held as follows:

- 62,500,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd (issued to Australian Special Opportunity Fund, L.P., a fund managed by The Lind Partners, under the terms of the convertible note facility) at an exercise price of 2 cents. The options vested immediately on grant and expire 16 June 2020.
- 31,250,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 1.35 cents issued pursuant to the Convertible Security Funding Agreement with the Australian Special Opportunity Fund L.P. The options vested immediately on grant and expire 3 November 2020.
- 26,750,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 2 cents issued to management and employees pursuant to the Company's ESOP plan. The options vested immediately on grant and expire 14 June 2020. 1,500,000 unlisted options were forfeited during the financial year ended 30 June 2018.
- 40,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 2 cents issued to Directors pursuant to the Company's ESOP plan. The options vested immediately on grant and expire 16 June 2020.
- 7,500,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 5 cents issued to management and employees pursuant to the Company's ESOP plan. The options vested immediately on grant and expire 30 June 2020.
- 1,000,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 5 cents issued to management and employees pursuant to the Company's ESOP plan. The options vested immediately on grant and expire 30 June 2020.
- 41,250,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 3.5 cents issued as part of fee arrangements for entering into the Convertible Security funding agreements with The Lind Partners. The options vested immediately on grant and expire 25 June 2021.
- 16,500,000 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 3.5 cents issued as part of fee arrangements for entering into the Convertible Security funding agreements with The Lind Partners. The options vested immediately on grant and expire 17 January 2022.
- 7,272,727 unlisted options to take up one ordinary share in Aus Tin Mining Ltd at an exercise price of 3 cents issued as part payment to Everblu Capital Pty Ltd to act as lead manager in relation to the private placement. The options vested immediately on grant and expire 22 April 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2019

Note 20. Issued Capital (continued)

(d) Performance Shares

There were no performance shares issued or converted during the year ended 30 June 2019 (2018: nil).

(e) Capital Risk Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure to ensure the lowest costs of capital available to the Company.

The Group's capital comprises equity as shown in the statement of financial position. The Group is not exposed to externally imposed capital requirements.

Note 21. Share-based Payments

(a) Expense

There was no share based payments expense recognised during financial year ended 30 June 2019 (2018: $457,408)

(b) Types of share-based payment plans

Employee share option plan (ESOP)

Share options are granted to employees. The employee share option plan is designed to align participants' interests with those of shareholders by increasing the value of the Company's shares.

When a participant ceases employment after the vesting of their share options, the share options are forfeited after 90 days unless cessation of employment is due to termination for cause, whereupon they are forfeited immediately or death. The Company prohibits KMP from entering into arrangements to protect the value of unvested ESOP awards.

The contractual life of each option granted is generally three (3) years. There are no cash settlement alternatives.

Each option can be exercised from vesting date to expiry date for one share with the exercise price payable in cash.

Performance Shares

The Company has established a Performance Share Plan, being a long term incentive scheme aimed at creating a stronger link between an eligible recipient's performance and reward whilst increasing Shareholder value in the Company.

There were no performance shares outstanding at 30 June 2019 (2018: nil)

(c) Summaries of options granted

The following table illustrates the number (no.) and weighted average exercise prices (WAEP) of, and movements in, share based payment share options granted during the year:

	2019 No.	2019 WAEP	2018 No.	2018 WAEP
Outstanding at the beginning of the year	210,250,000	$0.023	62,500,000	$0.02
Granted during the year	23,772,727	$0.033	149,250,000	$0.024
Forfeited during the year	-	-	(1,500,000)	$0.02
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	
Outstanding at the end of the year	234,022,727	$0.019	210,250,000	$0.023
Exercisable at the end of the year	234,022,727	$0.019	210,250,000	$0.023

The options outstanding at 30 June 2019 had a remaining contractual life of 1.37 years and exercise price of $0.019.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 21. Share-based Payments (continued)

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. This estimate is based on either a Black-Scholes model or Monte Carlo Simulation considering the effects of the vesting conditions, expected exercise period and the dividend policy of the Company.

Fair value of share options and assumptions	Employees 9 November 2017	Director 29 November 2017	Employees 1 March 2018	Employees 15 June 2018	Employees 25 June 2018	Corporate Advisory 22 April 2019
Number of options	28,250,000	40,000,000	7,500,000	500,000	500,000	7,272,727
Share price at issue date	$0.009	$0.011	$0.025	$0.015	$0.015	$0.011
Exercise price	$0.02	$0.02	$0.05	$0.05	$0.05	$0.03
Expected volatility	105.542%	105.542%	148.374%	139.086%	138.171%	97.4%
Option life	2.6 years	2.54 years	2.33 years	2.04 years	2.02 years	3.0 years
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (short-term)	1.80%	1.72%	1.95%	2.03%	2.04%	1.27%
Valuation methodology	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
Fair value	$0.004	$0.005	$0.016	$0.007	$0.007	$0.004
For the financial year ended 30 June 2019	**A$**	**A$**	**A$**	**A$**	**A$**	
Share based payments expense recognised in statement of profit or loss and comprehensive income	-	-	-	-	-	-
Share based payments expense recognised as share issue costs	-	-	-	-	-	32,122
Share based payments expense to be recognised in future periods	-	-	-	-	-	-
For the financial year ended 30 June 2018	**A$**	**A$**	**A$**	**A$**	**A$**	**A$**
Share based payments expense recognised in statement of profit or loss and comprehensive income	114,537	213,574	122,250	3,550	3,497	-
Share based payments expense recognised as share issue costs	-	-	-	-	-	-
Share based payments expense to be recognised in future periods	-	-	-	-	-	-

The calculation of the volatility of the share price on the above options was based on the Company's daily closing share price over the three-year period prior to the date the options were issued.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

	2019 $	2018 $
Note 22. Accumulated Losses		
Accumulated losses at the beginning of the year	(11,904,565)	(8,897,029)
Losses after income tax expense	(4,908,817)	(3,007,536)
Accumulated losses	**(16,813,382)**	**(11,904,565)**

	2019 $	2018 $
Note 23. Cash Flow Reconciliation		
Loss after income tax	(4,908,817)	(3,007,536)
Non-cash items		
- Depreciation and amortisation	39,474	133,723
- Write-back of exploration expenditure written off	-	1,036
- Fair value loss on conversion of convertible notes to ordinary shares	100,000	300,000
- Movement in fair value of convertible notes	956,282	(15,278)
- Share based payments expense	-	457,408
- Provision for impairment of inventory recognised	1,372,354	-
- Income tax expense	65,222	
Changes in operating assets and liabilities*		
(Increase) decrease in trade and other receivables	(1,451)	(2,224)
(Increase) decrease in prepayments	120,899	-
(Increase) decrease in inventories	(354,043)	(96,566)
Increase (decrease) in trade and other payables	189,308	371,187
Net cash flows from operating activities	**(2,420,772)**	**(1,858,250)**

* Net of amounts relating to exploration and evaluation assets.

Non-cash investing & financing activities		
Shares issued to settle convertible notes	600,000	1,535,000
Share based payments in equity	32,122	457,408

	2019 $	2018 $
Note 24. Information relating to Aus Tin Mining Ltd ("the parent entity")		
Current assets	516,752	942,379
Non-current assets	8,144,475	10,251,170
Total assets	**8,661,227**	**11,193,549**
Current liabilities	5,294,628	1,077,583
Non-current liabilities	-	1,484,722
Total liabilities	**5,294,680**	**2,562,305**
Net assets	3,366,547	8,631,244
Issued Capital	18,649,313	16,766,415
Share based payments reserve	3,137,302	3,105,180
Accumulated losses	(18,420,068)	(11,240,351)
Total Shareholders' equity	**3,366,547**	**8,631,244**
Profit or loss for the year	**(7,179,717)**	**(1,952,059)**
Total comprehensive income	**(7,179,717)**	**(1,952,059)**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 24. Information relating to Aus Tin Mining Ltd ("the parent entity") continued

(b) Guarantees entered into by the parent entity
No guarantees have been entered into by the parent entity in relation to debts of its subsidiaries.

(c) Contractual commitments
There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2019 (2018: nil).

(d) Contingent liabilities
The parent entity has no contingent liabilities, other than those disclosed in note 30.

Note 25. Related Party Disclosures

(a) Subsidiaries

The consolidated financial statements include the financial statements of Aus Tin Mining Ltd, Taronga Mines Pty Ltd, New England Tin Pty Ltd and Tenstar Mining Pty Ltd which are all incorporated in Australia.

(b) Ultimate parent

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

(c) Key management personnel

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

(d) Transactions with related parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

Related party		Sales to related parties	Purchases from related parties	Other transactions with related parties
DGR Global Limited (i)	2019	-	192,000	-
	2018	-	192,000	-

(i) The Group has a commercial arrangement with DGR Global Limited for the provision of various services, whereby DGR Global provides resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (**Services**). In consideration for the provision of the Services, the Group pays DGR Global a monthly management fee. For the year ended 30 June 2019 $192,000 was paid or payable to DGR Global (2018: $192,000) for the provision of the Services. The total current amount outstanding in relation to the Services at year end was $571,392 (2018: $455,180).

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

(e) Loans from related parties

No such loans existed during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 26. Capital Commitments

Future Exploration Commitments

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group. The commitments are as follows:

	2019 $	2018 $
Less than 12 months	183,301	215,250
Between 12 months and 5 years	211,014	54,250
	394,315	**269,500**

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

Note 27. Financial Risk Management

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

The Group's financial instruments consist mainly of deposits with banks, receivables, security deposits, convertible notes and payables.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group and at balance date.

The Group's cash at bank is wholly held with Macquarie Bank Limited and Westpac Banking Corporation.

(c) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meets its liabilities when they fall due, under both normal and stressed conditions.

Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group did not have any financing facilities available at reporting date.

	< 6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
Year ended 30 June 2019					
Liquid financial liabilities					
Trade and other payables	(1,394,994)	-	-	-	(1,394,994)
Borrowings	-	(3,600,000)	-	-	(3,600,000)
Total financial liabilities	**(1,394,994)**	**(3,600,000)**	**-**	**-**	**(4,994,994)**
Year ended 30 June 2018					
Liquid financial liabilities					
Trade payables	(1,144,963)	-	-	-	(1,144,963)
Borrowings	-	-	(1,800,000)	-	(1,800,000)
Total financial liabilities	**(1,144,963)**	**-**	**(1,800,000)**	**-**	**(2,944,963)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2019

Note 27. Financial Risk Management (continued)

(d) Market Risk

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group does not have any material exposure to market risk other than interest rate risk.

Interest rate risk

Interest rate risk arises principally from cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return.

For further details on interest rate risk refer to the tables below:

	Floating interest rate 2019 $	Fixed interest rate 2019 $	Non-interest bearing 2019 $	Total carrying amount 2019 $	Weighted average effective interest rate 2019 %
(i) Financial assets					
Cash and cash equivalents	470,230	-	-	470,230	0.01
Trade and other receivables	-	-	63,636	63,636	-
Other financial assets	-	-	745,789	745,789	-
Total financial assets	**470,230**	**-**	**809,425**	**1,279,655**	
(ii) Financial liabilities					
Trade and other payables	-	-	(1,394,994)	(1,394,994)	-
Borrowings	-	(3,941,004)	-	(3,941,004)	10%
Total financial liabilities	**-**	**(3,941,004)**	**(1,394,994)**	**(5,335,998)**	

	Floating interest rate 2018 $	Fixed interest rate 2018 $	Non-interest bearing 2018 $	Total carrying amount 2018 $	Weighted average effective interest rate 2018 %
(i) Financial assets					
Cash and cash equivalents	790,307	-	-	790,307	0.01
Trade and other receivables	-	-	62,185	62,185	-
Other financial assets	-	-	442,409	442,409	-
Total financial assets	**790,307**	**-**	**504,594**	**1,294,901**	
(ii) Financial liabilities					
Trade and other payables	-	-	(1,144,963)	(1,144,963)	-
Borrowings	-	(1,484,722)	-	(1,484,722)	10%
Total financial liabilities	**-**	**(1,484,722)**	**(1,144,963)**	**(2,629,685)**	

With the exception of convertible notes which are measured at fair value, due to the short-term nature of the above assets and liabilities, their carrying values are assumed to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 28. Operating Segments

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group does not yet have any products or services from which it derives an income.

Accordingly, management currently identifies the Group as having only one reportable segment, being exploration for Nickel, Gold, Copper and Tin. The financial results from this segment are equivalent to the financial statements of the Group. There have been no changes in the operating segments during the year.

All assets are located in Australia.

Note 29. Fair Value

Fair value hierarchy
The following table details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

(a) The following table presents the Group's assets and liabilities measured and recognised at fair value at 30 June:

	Level 1 $	Level 2 $	Level 3 $	Total $
2019				
Convertible notes	-	-	3,941,004	3,941,004
2018				
Convertible notes	-	-	1,484,722	1,484,722

The fair value of convertible notes are determined using option pricing models, which use various inputs including current market and contractual prices for underlying instruments, time to expiry, yield curves and volatility of underlying instruments.

(b) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Description	Fair value at 30 June 2019 $	Unobservable Inputs*	Range of inputs	Relationship of unobservable inputs to fair value
2019				
Convertible notes	3,941,004	Share price volatility	90%	Lower volatility (-10 bps) would increase FV by $11,075; higher volatility (+10 bps) would decrease FV by $13,190
		Risk free rate	1.02%	Lower discount rate (-25 bps) would increase FV by $478; higher discount rate (+25 bps) would decrease FV by $520.

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2019

Note 30. Contingent Assets and Liabilities

There are no contingent assets and liabilities at 30 June 2019 (2018: nil).

Note 31. Subsequent Events

On 7 August 2019, 9,431,758 unlisted options exercisable at $0.025 at the end of each calendar quarter through to 30 June 2022 were issued. The options were issued on the basis of 1 option for every 10 shares issued to eligible investors pursuant to the Share Purchase Plan which closed on 24 May 2019 or the private placement to sophisticated and professional investors announced on 12 April 2019.

On 20 September 2019, the Group announced to the market that it is undertaking a strategic review of Granville in order to determine the most economically efficient means of extracting value from the project. This will inevitably necessitate a period during which operations will be reduced or even suspended, and based on the outcome of the review, while any appropriate restructure is carried to achieve greater possible efficiencies at site.

The Directors are not aware of any significant changes in the state of affairs of the Company after the reporting date that is not covered in this report.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Aus Tin Mining Ltd, I state that:

In the opinion of the Directors:

(a) The financial statements and notes of Aus Tin Mining Ltd for the financial year ended 30 June 2019 are in accordance with the *Corporations Act 2001* (Cth), including:

  (i) Giving a true and fair view of its financial position as at 30 June 2019 and 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* (Cth)*;* and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

The Directors have been given the declarations required to be made by the Chief Executive Officer and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* (Cth) for the financial year ended 30 June 2019.

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

Brian Moller
Non-Executive Chairman

Brisbane
Date: 27 September 2019

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INDEPENDENT AUDITOR'S REPORT

To the members of Aus Tin Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Aus Tin Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation assets

Key audit matter	*How the matter was addressed in our audit*
Refer to Note 16 of the financial report. The Group carries exploration and evaluation assets in relation to the application of the Group's accounting policy for exploration and evaluation assets. The recoverability of exploration and evaluation asset is a key audit matter due to the significance of the total balance as a proportion of total assets and the level of procedures undertaken to evaluate management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources* ('AASB 6') in light of any indicators of impairment that may be present.	Our procedures included: • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Group maintains the tenements in good standing. • Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest. • Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

Accounting for convertible notes

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 18 of the financial report, the Group has drawn down convertible notes during the year. The accounting for convertible notes was considered a key audit matter due to the complexity involved in assessing whether to account for the notes as equity, a liability or a combination of both as well as the subsequent measurement of the individual components of the notes based on the terms and conditions of the agreement. The assessment includes significant judgement and there is a high degree of estimation applied in determining the fair value of the convertible notes at 30 June 2019.	Our procedures included: • Obtaining an understanding of and assessing the terms and conditions of the convertible note agreement to determine if the convertible notes are to be accounted for as equity a liability or a combination of both. • Providing the model to our internal experts to assess the reasonableness of the methodology and assumptions applied in the model and evaluating the results of their work • Assessing the reasonableness of the inputs to the valuation • Reviewing managements' assessment of the movements in fair value of the convertible notes, ensuring that all gains and losses have been treated appropriately • Reviewing the adequacy of the disclosures in the financial report and agreeing these to the valuation model and the convertible note agreement.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 14 to 20 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Aus Tin Mining Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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 Audit Pty Ltd

BDO

D P Wright

Director

Brisbane, 27 September 2019