



ASX Announcement

Aus Tin Mining Limited (ASX:ANW)

15 June 2017

\$3.25M Funding Package to Advance Tin and Cobalt Projects

Highlights

- **\$3.25 million, 24 month Convertible Security Funding Agreement (CSFA) has been executed with the Australian Special Opportunity Fund, L.P, a fund managed by The Lind Partners.**
- **The CSFA will provide working capital and funding for exploration, capital and development across the Company's portfolio of tin and cobalt projects.**
- **The CSFA has been structured with a number of competitive terms, including provision for early re-payment without penalty to the Company.**

The Directors of Aus Tin Mining Limited (**the Company**) are pleased to announce a \$3.25 million Convertible Security Funding Agreement (**CSFA**) has been executed with The Australian Special Opportunity Fund L.P, a fund managed by The Lind Partners (together **Lind**). The CSFA will provide a source of capital enabling the Company to pursue its program of project development and exploration across a portfolio of tin and cobalt assets.

The key terms of the CSFA are set out below with further details provided in Appendix 1:

- Total funding up to \$3.25 million, including an initial \$1.0 million investment funded within five business days subject to all conditions precedent having been met, and two further investments of \$0.25 million and \$2.0 million respectively, subject to certain conditions having been met;
- 24 month term with Face Value of 120 percent of amount advanced (equivalent to 10%pa);
- Lind may elect to convert any outstanding amounts into ordinary shares in Aus Tin Mining Limited at the lesser of 1.6 cents per share or 90 percent of the average of five (5) consecutive daily VWAP within a 20 day period prior to conversion; and
- Company may elect to buy-back any outstanding amounts at no premium or penalty.

The initial investment will provide working capital and funding associated with the expansion of the Granville Tin Project (TAS). As previously advised, the Company is working with EPA Tasmania and the West Coast Council in relation to the Company's development application to enable a resumption of mining activities at the open cut pit. The Company has also identified a program of capital works to secure additional process improvements.

The further investments may be drawn to provide amongst other things funding associated with the Stage 1 Development of the Taronga Tin Project (NSW). The Company is currently progressing approvals for a trial mine and pilot process plant with the Glen Innes Severn Council. Whilst the Company anticipates the expanded Granville operation will provide the necessary cash flow to fund the Stage 1 Development at the Taronga Tin Project, the Lind financing provides a level of contingency at no cost until such time it is utilised.

Part of the funding will also be deployed to continue exploration at Mt Cobalt. In 2016 the Company completed nine reverse circulation (RC) holes, including a high grade interval of 7m @ 0.84%Co & 0.83%Ni from 29m.

Chief Executive Officer, Peter Williams said *“The CFSA provides the Company necessary working capital as we expand operations at Granville, and also provides a source of funding for Taronga Stage 1 if necessary. Compared with equity, the CSFA provides a cheaper source of capital and the option to repay any outstanding amount may reduce the potential dilution of existing shareholders”.*

Phillip Valliere, Managing Director at The Lind Partners, stated *“Lind is extremely pleased to be working with Aus Tin Mining as it develops its exciting and diverse portfolio of assets, specifically having two distinct value drivers – tin as a traditional base metal with near-term cash flow potential plus cobalt demand from lithium ion batteries. Lind has a global reach and our preference is to invest with companies that have a strong board and management, a portfolio of assets that can deliver growth over the medium term, and a clear pathway to creating shareholder value”.*



On behalf of the Board
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Electronic copies and more information are available on the Company website: www.austinmining.com.au

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About Aus Tin Mining Limited

Aus Tin Mining Limited (ASX: ANW) has a vision to become a major Australian tin producer. The Company has recommenced production at the high grade Granville Tin Project located north of Zeehan (TAS). Subject to regulatory approvals, the Company intends to expand the Granville Tin Project and undertake exploration to extend the Life of Mine. The Company is also developing the world class Taronga Tin Project located near Emmaville (NSW). The Company defined and announced its maiden JORC compliant resource for the Taronga Tin Project in late 2013, and testwork and exploration activities on site have revealed potential credits for copper, silver, tungsten, molybdenum, lithium and rubidium. Highly prospective regional targets have also been established within the Company's broader tenement footprint, and within trucking distance of the proposed processing site at Taronga. Plans for a staged development of the Taronga Tin Project are in formation, together with the associated approvals processes.

The Company also maintains an active exploration program. The Company holds a portfolio of exploration licenses prospective for nickel, cobalt and copper (Kilkivan QLD); and tin, copper, silver, tungsten and lithium (Torrington NSW).

About the Lind Partners

The Lind Partners is a New York-based institutional fund manager focused on small- and mid-cap companies listed in Australia, Canada and UK across mining, oil & gas, biotech and technology. Lind employs a multi-faceted investment strategy: direct investments of new capital; participation in equity placements; IPO/pre-IPO equity; and select on-market trades. Since 2009, the Lind team has completed over 80 direct investments, totaling over \$600 million in total value, and has earned a reputation as a creative, flexible and supportive capital partner to investee companies.

Forward Looking Statement

This announcement may contain certain statements and projections provided by or on behalf of Aus Tin Mining Limited (Aus Tin Mining) with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Aus Tin Mining. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of Aus Tin Mining which could cause actual results or trends to differ materially, including but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, native title and aboriginal heritage issues, dependence on key personnel, share price volatility, approvals and cost estimates. Accordingly, there can be no assurance that such statements and projections will be realised. Aus Tin Mining makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

Additionally, Aus Tin Mining makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by Aus Tin Mining or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, Aus Tin Mining undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Aus Tin Mining Limited.

Appendix 1 - Summary terms of the Convertible Security Funding Agreement (CSFA)

General	
Issuer:	Aus Tin Mining Limited (the "Company")
Investor:	The Australian Special Opportunity Fund, LP ("Investor")
Total Amount:	AU\$3,250,000 comprising three tranches: a) Initial Investment of AU\$1,000,000 payable within five business days subject to all conditions precedent having been met; b) Additional Investment of AU\$250,000; and b. Optional Investment of AU\$2,000,000
Term:	24 months
Face Value:	120 percent of the funded amount
Investment:	Convertible Security (the "Convertible Security")
Rank & Security:	General Security Agreement over the Company and guarantee & indemnities from its wholly owned subsidiaries.
Conversion:	The Conversion Price will be the lesser of: (i) 90% of the average of five consecutive daily VWAPs, chosen by Investor, during the 20 trading days prior to conversion or (ii) AU\$0.016.
Buy-Back Rights:	In its sole discretion, the Company will have the right to buy-back the outstanding Face Value of the Convertible Security at any time at no premium ("Buy-Back Rights"). Should the Company exercise its Buy-Back Right, the Investor will have the option of converting up to 25% of the Face Value at the Conversion Price.
Floor Price:	If the Conversion Price is less than \$0.0075 for any conversion, then the Company will have the right to not give effect to the conversion and instead repay the amount subject to the conversion in cash.
Collateral Shares:	15,000,000 shares, which will be credited, or returned, to the Company upon conversion or repayment, in full, of all outstanding Face Value amounts.
Initial & Additional Investment	
Term:	24 months
Initial Investment:	AU\$1,000,000
Face Value:	AU\$1,200,000
Face Value Reduction:	If the Company exercises its Buy-Back Rights (below) within 180 days of funding the Convertible Security, the Face Value will be reduced to AU\$1,150,000.
Trading Limits:	During the first four months the Investor will be limited to selling no more than A\$50,000 per month worth of stock unless the Company's market cap exceeds AU\$25,000,000
Commitment Fee:	For each tranche the Investor will receive a fee equal to 2.5% of Funded Amounts advanced
Options:	For the Initial and Additional Investments the Investor will receive options, such number equaling one-half option on the Funded Amount and options will be exercisable for 36 months. The Initial options will have an exercise price of AU\$0.020 and the Additional options will have an exercise price of 150% of the average of the five daily VWAPs immediately prior to funding the Additional Investment. The Company has the right to have the Investor exercise the options providing there is no outstanding amount and the daily VWAPs for each of the 20 consecutive trading days immediately prior to the options expiration date are greater than or equal to \$0.06.
Additional Investment	During the Term, and providing no less than A\$500,000 of the Face Value has been repaid or converted, the Company will have the right to request an additional Funded Amount of A\$250,000 from the Investor on similar terms, conditions and pro-rata options and fees as the Initial Investment.
Optional Investment	

Time of Advance:	Thirty days after conversion or repayment of 75% of the Face Value of the initial Convertible Security, subject to mutual agreement between the Company and the Investor.
Term:	24 months
Funded Amount:	Up to AU\$2,000,000
Face Value:	120% of Funded Amount ("Face Value")
Conversion:	Similar formula to initial Convertible Security.
Floor Price, Trading Limits, Buy-back Rights:	Similar formulas to initial Convertible Security.
Commitment Fee:	Upon funding Second Convertible Security, Investor will receive a 2.5% fee on the Funded Amount.
Options:	Upon funding the Optional Investment, the Investor will receive one-half option on Funded Amount, exercisable for 36 months at 150% of the average of the five daily VWAPs immediately prior to funding the Optional Convertible Security.