

CONSOLIDATED TIN MINES LIMITED



30th October 2009

Manager Announcements
Companies Announcements Office
Australian Securities Exchange Limited
10th Floor, 20 Bond Street
SYDNEY, NSW 2000
Via: www.asxonline.com

ASX Code - CSD
- CSDO

Dear Sir/Madam,

FIRST QUARTER ACTIVITIES AND CASHFLOW REPORT

We attach the above announcement.

Yours faithfully



Ralph De Lacey
Managing Director

ABOUT CONSOLIDATED TIN MINES LIMITED

Consolidated Tin Mines Limited (CSD) is a junior exploration company with a current focus on Tin at Mt Garnet in the lower Herberton tin field in North Queensland.

Short to medium term goals are:

- Further define resources at Gillian and Pinnacles Projects while expanding and defining resources at Windermere Project
- Develop a hard rock mining operation
- Develop an alluvial mining operation
- Explore other known mineralisation within current tenement holding to provide resource expansion

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SEPTEMBER QUARTER HIGHLIGHTS

- A full time senior metallurgist employed. First inputs have highlighted improvements in recovery of tin
- Drilling program planning and site preparation has commenced for the Gillian and Windermere Project areas
- Additional Mt Garnet satellite projects, surface mapping and assaying continues
- Mining lease application at Gillian Project lodged
- Sampling of Upper Battle Creek alluvial project confirming grades from historic drill results
- Additional Exploration Permit for Minerals applications lodged to extend the alluvial project areas of the Lynd and Tate River
- Environmental monitoring continuing at Upper Battle Creek and Gillian Projects

SENIOR METALLURGIST APPOINTED

The Company appointed metallurgist Robert Shelley as Senior Development Metallurgist to the Mt Garnet Tin Project, which is located near Cairns in northern Queensland.

Mr Shelley is an expert in the field of tin metallurgy and he has previously worked with Metals X at the Renison Tin Project in Tasmania where he was responsible for developing a processing route for tailings at the project's storage dams. This included a tin fuming stage to produce a high grade tin fume for sale to Chinese and Malaysian tin smelters. The pilot stage treatment was completed by the end of 2008.

Prior to his most recent role with Metals X, Mr Shelley was also previously employed at the Renison Project by Bluestone Mines, in 2004, as Senior Development Metallurgist. In this role he was directly involved in recommissioning the Renison Bell concentrator and developing a treatment program for the recovery of tin from the tailings dams.

He has a strong depth of expertise in the resources sector, and his career experience also includes roles with Sons of Gwalia Greenbushes Project in Western Australia where he was responsible for significantly increasing production of tin metal and tantalum rich slags, and at the Olympic Dam Project in South Australia where as Plant Metallurgist he was involved with the smelter start-up and commissioning of all allied units.

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Flotation Study

The Company is currently progressing the earlier metallurgy results highlighted in the last quarterly report. First inputs have highlighted improvements in tin recovery and the Company has commenced a tin flotation testwork program to develop the improvements required for the Gillian flotation concentrate. The test work is - seeking to improve Gillian concentrate grade and recovery into a flotation product.

Initial testwork involved the examination of grinding media that could improve the "cleanliness" of the cassiterite grains and have them more amenable for flotation. A comparative steel media versus inert media (sand) grind test with flotation of grind products has suggested the inert media grind better "cleans" the cassiterite, and this development is being applied to the current testwork.

The Company is undertaking the metallurgy testwork as a step by step progression of understanding of the mineralisation. Each step is accompanied by mineralogical studies and XRD studies to provide the grain images of what is being achieved.

Roasting Study

The Company investigated the potential for high temperature roast processing as a means to improve tin separation and hence recovery for the hardrock mineralisation. The concept being examined was the production of tin metal and the ability of that metal to be separated from the remaining roast product. Samples of iron and tin magnetic concentrate were roasted at cassiterite melting temperature. The results suggested that tin metal was produced but tin was also bound up in tin-copper alloys.

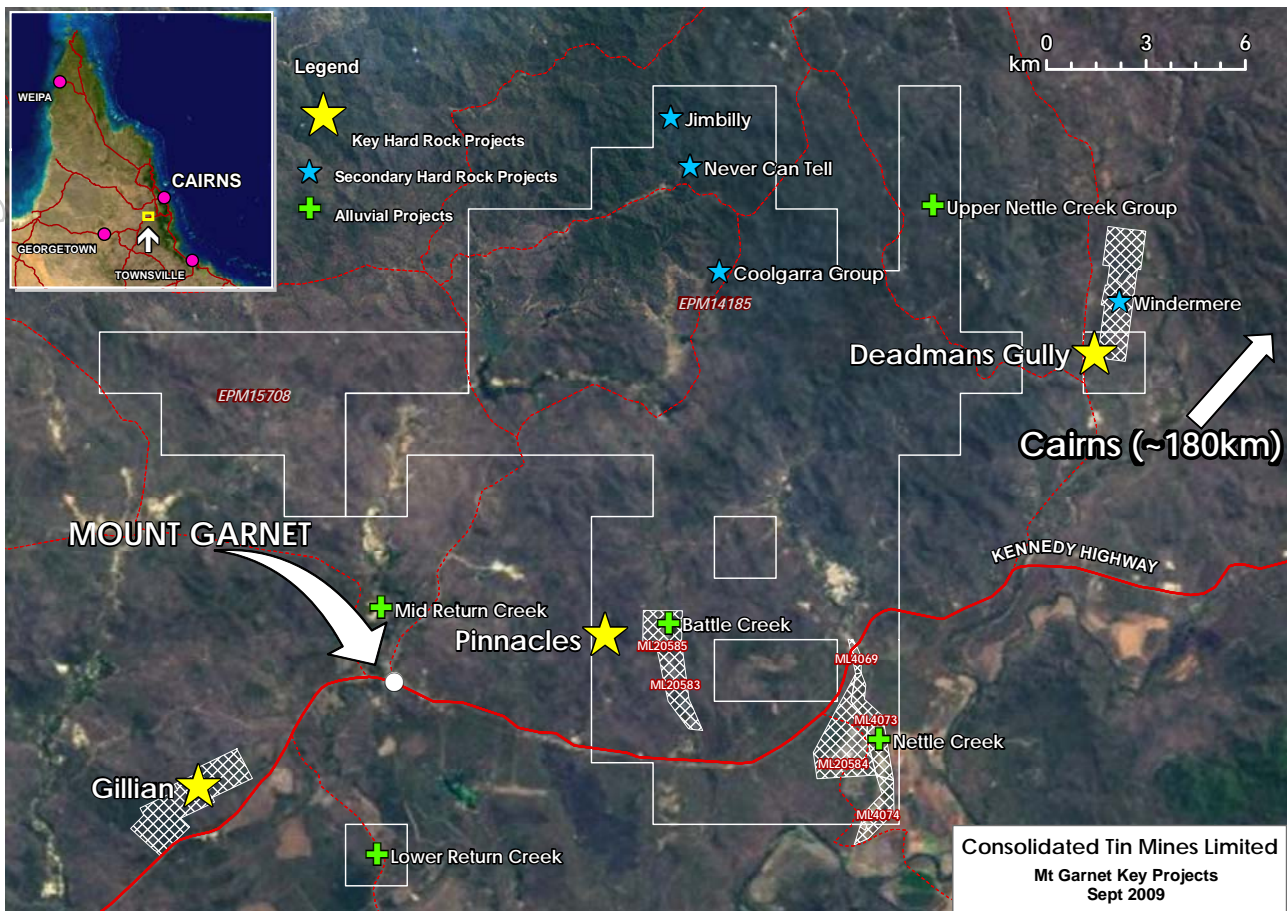
The testwork was supervised and reported by Mineral Engineering Technical Services (METS) of Perth.

DRILL PLANNING COMMENCES FOR GILLIAN & WINDERMERE PROJECTS

Drilling program planning and site preparation has commenced for the Gillian and Windermere Project areas. The drilling at Gillian is planned to establish further resources within the project area. The Windermere project is the third (along with the Gillian and the Pinnacles projects) of the Company's three major, 100%-owned hardrock tin projects at the Mt Garnet area.

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

Mt Garnet area showing current Key Projects



ADDITIONAL MOUNT GARNET PROJECTS

Surface mapping and sampling has continued within the Mt Garnet project area with good tin assay results.

The Company's project areas are located in historic mining areas and mapping and rock chip sampling programs are continuing as time permits. The Coolgarra area (central to the Company's Mt Garnet EPM 14185) has delivered strong historic production of about 2000 tonnes of tin concentrate, with the Alhambra mine producing about 500 tonne of concentrate and the Victoria mine producing about 150 tonne of concentrate. Rock chip sampling of outcrop and mineralised lode from the Coolgarra area has returned some very good grades of better than 1%Sn. Of interest are several results with gold values of 0.2-0.4g/t Au.

Lines of historic mine workings have been sampled in the Coolgarra area with results of up to 1.34%Sn, 4.3%Cu and 108ppm Ag. The Coolgarra area is at a contact zone of granite and metasediment. The historic production has come from mines located in the sediment (eg Alhambra) and granite (eg Victoria). The high grade tin mineralisation has been exploited by the historic mining, but bulk low grade exploration is also a worthwhile Company exploration target. Tin mineralised bulk granite targets are held by the Company in surrounding areas (at the Never Can Tell and Upper Nettles prospects) and

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these granite targets have bulk grades of 0.2-0.3%Sn. The Coolgarra area has the potential for bulk tonnage with occasional high grade bodies and is an encouraging Company target.

MINING LEASE APPLICATION LODGED

A mining lease application has been submitted to the Queensland Government for the Gillian hardrock tin project. Based on the Company exploration results to date, the strike extent of the mineralisation is known. The Company's Mt Garnet hardrock concept is based around the location of a central mill with feed being trucked from satellite deposits such as the Gillian deposit.

CONFIRMATION OF GRADES AT UPPER BATTLE CREEK

Exploration work within the alluvial project of Upper Battle Creek (UBC) was undertaken through the quarter.

The UBC area was the most northerly area of Battle Creek to be dredge by Ravenshoe Tin Dredging Ltd. The UBC area was dredged in 1964 and based on the knowledge of pre-dredge drilling it is known to host a high grade zone of material in the area now called the UBC deposit. Ravenshoe Tin initially believed it to be a deep body of creek alluvium. Dredge digging at this depth has not mined out all of this deeper mineralisation.

Ravenshoe Tin undertook further drilling of the UBC deposit from 1975-77 and again in 1985. The UBC deposit was described as a soft, altered granite amenable to alluvial treatment methods for tin recovery. The 1985 drilling was completed to a greater depth and provided the support for Ravenshoe Tin to develop a mine plan of UBC with treatment through one of their stationery alluvial plants. Ravenshoe Tin looked to establish this project at the end of 1985, but a falling tin price at that time stopped this development.

The 1985 drill program results have been used by CSD in the ongoing exploration of the UBC deposit. Based on project topography maps and several drill collars from the 1985 drill program still being visible, CSD is confident that it has the information required to relocate the resource outline based on the past exploration work.

The Company undertook work to sample the dredged and altered granite material of the UBC area. The dredged material is dredge sand tailings. Pan sampling of this material returned results in the order of 200gm SnO₂/cubic metre, while pan sampling results of the altered granite material are in the range of 500-1500gm SnO₂/cubic metre. This range of results is comparable to that of the 1985 drill results. A more quantitative estimate is to be undertaken in the current quarter.

EXPLORATION PERMIT FOR MINERALS APPLICATIONS LODGED

The Company has applied for several Exploration Permit for Minerals (EPM) for extensions of the alluvial mineralisation within the Company's current regional project areas. The projects are the Lynd River Project and the Tate River Project. The Company has also applied for a mining lease over the Leichhardt Creek Project area. All three project areas were highlighted in the Company's IPO Prospectus (December 2007).

The new tenement applications have added to the already significant alluvial tin potential of these regional projects. The summary points of the projects are:

Lynd River

These tenements contain large volume, Cretaceous aged, partly consolidated sand and gravel Sandridges, believed to be paleo sediments of Mesozoic large river systems. Tin bearing wash occurs within these Sandridges. Historic alluvial mining has occurred within CSD tenements, but it is believed significant unmined material remains, based on very recent mining and drilling on immediately adjacent Sandridge material. No resources have been established within Company tenements however based on historical work it is considered that there is potential for 1.5 to 2 million bcm (of better than 500gm Sn/bcm) within the Kangaroo Creek, Boomerang, Jamtin and Fogarty Sandridges. A very large volume Sandridge, the Torwood Sandridge, has the potential to have high grade sections of 3-5 million bcm of better than 500gm Sn/bcm within the basal units.

(Note: The alluvial targeted potential tonnage and grade is conceptual in nature as insufficient exploration has been undertaken at this stage to define a mineral resource and it is uncertain that future exploration will result in the determination of a mineral resource.)

Tate River

Tenements contain a historically mined, good grade, alluvial area and immediate resource identification targets exist to add to the current inferred resource of 1.96 million metres at 625 gm Sn per metre. These targets are the sand tailings left from the previous mining, of which sampling in the 1990s suggested as being tin bearing. Downstream of the mined areas are paleo sediments of Cretaceous age. These paleo gravels form a continuous paleo river system that carries through into the Lynd River Project area. It would be likely that the Lynd and Tate Projects would be developed as a single Project. In addition to the inferred resource there is potential alluvial targets in the Tate River Project area of 1.5 to 2 million bcm at better than 500 gm Sn per bcm.

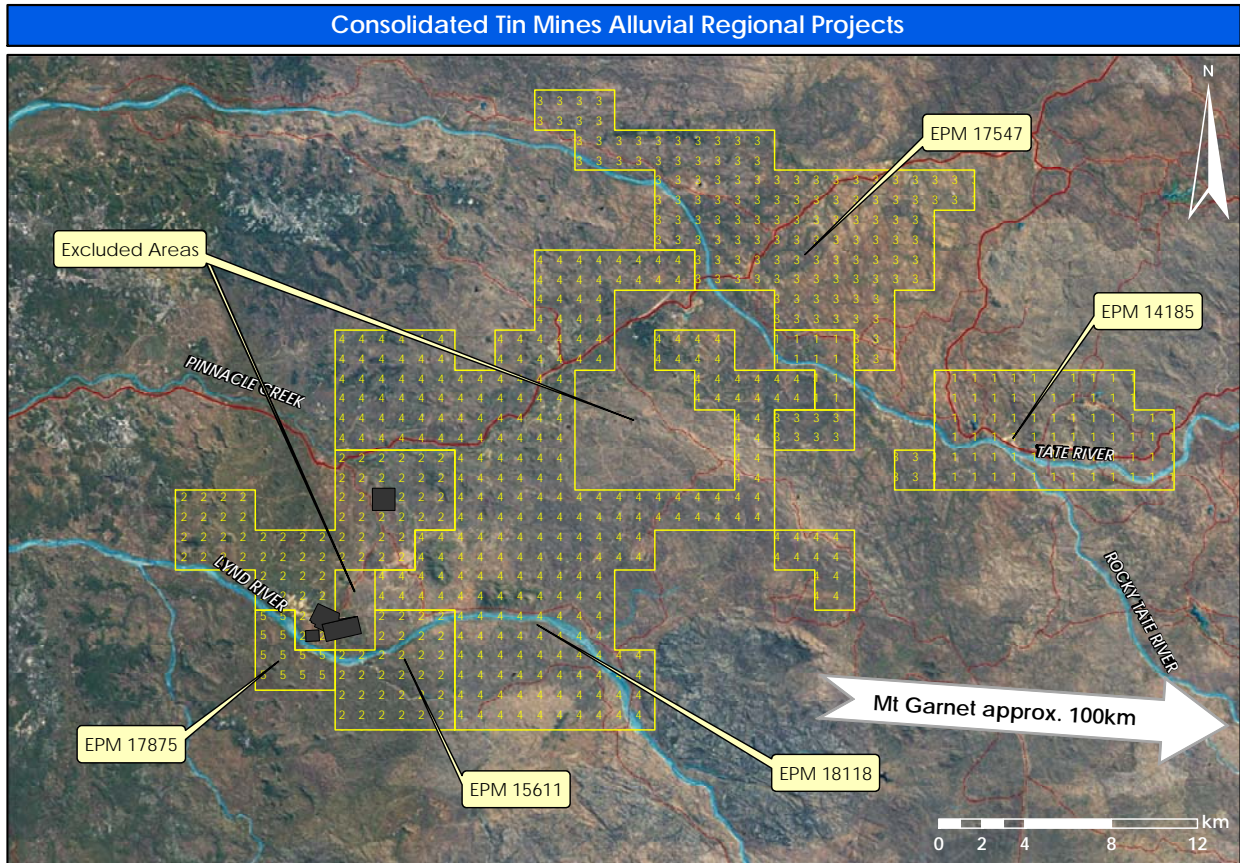
(Note: The alluvial targeted potential tonnage and grade is conceptual in nature as insufficient exploration has been undertaken at this stage to define a mineral resource and it is uncertain that future exploration will result in the determination of a mineral resource.)

Leichhardt Creek

The tenement contains a well established indicated resource of 1.3 million bcm of tin bearing wash at 393 gm Sn per bcm. There is a mining history from the 1990s of an adjacent terrace material that highlights the tin is easily recoverable.

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Regional Alluvial Projects



ENVIRONMENTAL MONITORING

The Company has continued with the baseline monitoring of waters (surface and groundwater), creek sediment and flora and fauna studies. Sites within the Battle Creek and Gillian project areas are currently being monitored.

The Company maintains close consultation with the Queensland Government environmental compliance officers and has sought the involvement of experienced environmental consultants. Long term studies of the background environment are a requirement for the permitting of mining activities by the Queensland government and the Company is undertaking these activities.

UPCOMING ACTIVITIES

- Metallurgical testwork of the tin ironstones, particularly focusing on flotation development to improve tin recovery
- Drilling programs within the Gillian and Windermere project areas
- More testwork of the Battle Creek alluvials
- Environmental baseline studies to continue through the quarter
- Mining lease application to be submitted for the proposed central mill site

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CORPORATE

Placement

In August the Company announced a placement of 10 million shares to professional and sophisticated investors at a price of A\$0.10 per share, to raise A\$1million. For every share placed the company also issued an attaching option exercisable by the payment of 20 cents each, on or before 31 December 2013.

The placement will be completed in two tranches;

Tranche 1 being 3,457,350 ordinary fully paid shares and 3,457,350 options was issued under the company's 15 % placing facility

Tranche 2 being 6,542,650 ordinary fully paid shares and 6,542,650 options will be issued subsequent to the receipt of shareholder approval (granted at a shareholder meeting on 7 October).

The placement funds will be used for ongoing drilling and metallurgy work at the Gillian Tin Project and drilling and assaying at the Windermere Tin Project. In addition the funds will be used to advance the Alluvial Tin Project at Upper Battle Creek and for further exploration and evaluation work at the Mt Garnet Tin Project.

1.1. Security Holders

Total number of shares on issue at the end of the September quarter was 49,555,351 (with 27,485,351 quoted). Total options on issue were 39,106,350 (with 19,471,350 quoted).

The company's top 5 shareholders are listed in Table below

Consolidated Tin Mines Limited top 5 shareholders

Shareholder	% of issued capital
Ralph De Lacey ATF The Ralph De Lacey Superannuation Fund	18.16
John Sainsbury Consulting Pty Ltd	14.43
ANZ Nom Ltd	9.11
Robert + Marina Roget	4.64
T E + F L Pugh	4.04

1.2. Cash Reserves

The Company has approximately \$1.2 million in cash reserves at the end of the September quarter.

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

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CONSOLIDATED TIN MINES LIMITED

ABN

57 126 634 606

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 mths) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(253)	(253)
(b) development	-	-
(c) production	-	-
(d) administration	(172)	(172)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(407)	(407)
Cash flows related to investing activities		
1.8 Payment for purchases: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(21)	(21)
(d) bonds & deposits	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
(d)bonds & deposits	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(21)	(21)
1.13 Total operating and investing cash flows (carried forward)	(428)	(428)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(428)	(428)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	386	386
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share Issue Costs)	-	-
	Net financing cash flows	386	386
	Net increase (decrease) in cash held	(42)	(42)
1.20	Cash at beginning of quarter/year to date	1,239	1,239
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,197	1,197

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	91
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Remuneration of Directors

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

Financing facilities available

+ See chapter 19 for defined terms.

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Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	150
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	297	39
5.2 Deposits at call	900	1,200
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,197	1,239

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/a	-	-	-
6.2 Interests in mining tenements acquired or increased	N/a	-	-	-

+ See chapter 19 for defined terms.

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Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	49,555,351	27,485,351	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	3,457,350	3,457,350	10 cents	10 cents
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	38,506,350 600,000	19,471,350 -	<i>Exercise price</i> 20 cents 12 cents	<i>Expiry date</i> 31/12/2013 31/03/2011
7.8 Issued during quarter	3,457,350	3,457,350	20 cents	31/12/2013
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	200,000	-	12 cents	31/03/2011
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 30th October 2009

Print name: Kevin Hart

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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