

# CONSOLIDATED TIN MINES LIMITED



28 May 2010

## Company Announcements Office

Australian Securities Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

### NON-RENOUCEABLE ENTITLEMENT ISSUE, TIMETABLE AND APPENDIX 3B

**The Directors are pleased to announce an opportunity for the holders of shares in the Company (Shareholders) to participate in a non-renounceable pro-rata Entitlement issue.**

**Pursuant to the Entitlement Issue, the Company will issue up to 54,524,001 new fully paid ordinary shares at 4 cents per share to raise up to \$2,180,960 (before costs). The New shares will be offered on the basis of 1 New share for every 1 share held in the capital of the Company at the Record Date (Entitlement).**

**The New shares will be fully paid and will rank equally with the company's existing issued Shares. The Company will make an application to the Australian Securities Exchange Limited (ASX) for official quotation of the New Shares.**

#### Key dates

With respect to the Entitlement Issue, the Company will accept applications until 5.00pm WST on Tuesday, 6 July 2010 or any other date the Directors in their absolute discretion determine, subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable law. An indicative timetable for the Entitlement Issue is as follows:

Lodgement of Prospectus with ASIC And ASX	28 May 2010
Notice of Entitlements Issue sent to security holders	1 June 2010
Shares quoted on an "ex" basis	2 June 2010
Record Date for Determining Entitlement to New Shares	8 June 2010
Prospectus and Entitlement and Acceptance Form Despatched to Eligible Shareholders	15 June 2010
Offer Opens	15 June 2010
Closing Date for Receipt of Acceptances and Application Monies *	6 July 2010
Anticipated Date for Allotment and Issue of New Shares*	7 July 2010
Despatch of Holding Statements*	14 July 2010

## CONSOLIDATED TIN MINES LIMITED

ABN 57 126 635 606 ACN: 126 634 606  
395 Lake Street North Cairns Qld 4870.  
Ph (07) 4032 3319 – Fax (07) 4027 9429  
Email: admin@csttin.com.au

\* The Dates set out are subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable law, to amend this timetable.

A Prospectus and an Appendix 3B with respect to the Entitlement Issue follows.

Yours sincerely

**CONSOLIDATED TIN MINES LIMITED**



**Kevin Hart**

Company Secretary

# CONSOLIDATED

## TIN MINES LIMITED



**CONSOLIDATED TIN MINES LIMITED**

**ABN 57 126 634 606**

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## **ENTITLEMENT ISSUE PROSPECTUS**

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For a non-renounceable Entitlement issue of one (1) Share for every one (1) Shares held by Shareholders registered at 5:00pm (WST) on 8 June 2010 at an issue price of 4 cents per Share to raise up to \$2,180,960 (**Entitlement Issue**).

### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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## 1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

### TIMETABLE AND IMPORTANT DATES\*

Event	Date
<b>Lodgement of Prospectus with ASIC and Appendix 3B with ASX</b>	<b>28 May 2010</b>
<b>Notice sent to Security Holders</b>	<b>1 June 2010</b>
<b>Ex Date</b> (date from which securities commence trading without the entitlement to participate in the Rights Issue)	<b>2 June 2010</b>
<b>Record Date</b> (date for determining entitlements of eligible shareholders to participate in the Rights Issue)	<b>8 June 2010</b>
<b>Prospectus Dispatched to Shareholders and Offer opens</b> (expected date of dispatch of Prospectus and Entitlement and Acceptance Forms)	<b>15 June 2010</b>
<b>Closing Date* 5pm (WST)</b>	<b>6 July 2010</b>
<b>Allotment date</b>	<b>7 July 2010</b>
<b>Notify ASX of under-subscriptions</b>	<b>9 July 2010</b>
<b>Dispatch holding statements</b>	<b>14 July 2010</b>
<b>Trading begins in Shares issued under this Prospectus**</b>	<b>15 July 2010</b>

\* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Shares.

\*\* Please note that there will be no deferred settlement trading in the Shares to be issued under this Prospectus.

### IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 28 May 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 28 June 2011 (**Expiry Date**). No Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

## **IMPORTANT NOTES (continued)**

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

The Offer to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and the Corporations Regulations 2001. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

The Offer and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act sets out how the Offer must be made. There are differences in how securities are regulated under Australian law. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities. Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the Shares is not New Zealand dollars. The value of the Shares will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the Shares to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

As noted in the Prospectus at Section 3.5, the Company will apply to the ASX for quotation of the Shares offered under this Prospectus. If quotation is granted, the Shares offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the Shares through that market, you will have to make arrangements for a participant in that market to sell the Shares on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

## IMPORTANT NOTES (continued)

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

## ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

## INVESTMENT RISKS

Subscribing for Shares that are the subject of this Prospectus involves a number of risks. Before deciding whether to subscribe for Shares, any intending investor is urged to consider the risk factors set out in Section 7 of this Prospectus, which include but are not limited to the risks summarised below:

Risk area	Risks	Further details
<b>Additional requirements for capital and going concern</b>	Ability of the Company to raise additional capital and continue as a going concern.	Section 7.4
<b>Exploration success</b>	Mineral exploration is a high risk venture and the future success of the Company is directly related to the results of its exploration.	Section 7.5
<b>Operating Risk</b>	General operation risks (e.g. technical difficulties, adverse weather conditions, unexpected metallurgical problems).	Section 7.6
<b>Resource estimates</b>	Estimates are imprecise and depend on interpretations which may prove to be inaccurate.	Section 7.7
<b>Commodity price/exchange</b>	Any revenue the Company derives (if any) will be subject to	Sections 7.8

<b>Risk area</b>	<b>Risks</b>	<b>Further details</b>
<b>rate risks</b>	commodity price and exchange rate fluctuations and risks.	
<b>Environmental Risks</b>	Impact on the environment and subject to environmental protection legislation	Section 7.9
<b>Title risk</b>	Ability to comply with, retain and renew exploration licences; ability to obtain and comply with mining leases	Section 7.10
<b>Reliance of key management</b>	If key employees leave the Company, likely to be detrimental to the Company's prospects	Section 7.11

Investors should be aware that an investment in the Company involves risks that may be higher than risks associated with an investment in some other companies. Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for Shares offered for subscription under this Prospectus. Some of these risks can be mitigated by the use of appropriate safeguards and actions, but some are outside the Company's control and cannot be mitigated. Before deciding whether to apply for Shares, investors should consider the risk factors described above, and outlined in more detail in Section 7 together with the information contained elsewhere in this Prospectus.

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## 2. CORPORATE DIRECTORY

### Directors

Mr Ralph De Lacey, Executive Chairman

Mr John Sainsbury, Executive Director

Mr Andrew Kerr, Non Executive Director

### Company Secretary

Mr Kevin Hart

### Registered Office and Principal Place of Business

395 Lake Street  
Cairns QLD 4870

Telephone: (07) 4032 3319

Facsimile: (07) 4027 9429

### Website

[www.consolidatedtinmines.com.au](http://www.consolidatedtinmines.com.au)

### ASX Codes

CSD – Ordinary Shares

CSDO – Options expiring 31/12/2013

### Share Registry\*

Security Transfer Registrars Pty Limited  
770 Canning Highway  
Applecrosss WA 6153

Telephone: (08) 9315 2333

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Auditor\*

BDO Kendalls (Nth Qld)  
27 Aplin Street  
Cairns QLD4870

\*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

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### **3. DETAILS OF THE OFFER**

#### **3.1 Offer**

By this Prospectus, the Company offers for subscription approximately 54,524,001 new Shares pursuant to a pro-rata non-renounceable entitlement issue to Shareholders of one (1) new Share for every one (1) Share held on the Record Date at an issue price of \$0.04 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Shares to be issued pursuant to the Offer is approximately 54,524,001. The Offer will raise approximately \$2,180,960. The purpose of the Offer and the use of funds raised are set out in Section 5 of this Prospectus.

Holders of existing Options will not be entitled to participate in the Offer. The Company currently has 44,075,000 Options on issue as at the date of this Prospectus, which Options may be exercised by the Option holder prior to the Record Date in order to participate in the Offer.

#### **3.2 How to Accept the Offer**

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
  - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
  - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at \$0.04 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Consolidated Tin Mines Limited – Share Application Trust Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the Closing Date.

Alternatively applications for Shares under this Offer may be made by remitting application funds using BPay, payment instructions for which are included on the

reverse of the Entitlement and Acceptance Application Form accompanying this Prospectus. Applications for your full entitlement, or part thereof, by BPay does not require the completion of the Entitlement and Acceptance Application Form.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

### **3.3 Minimum Subscription**

There is no minimum subscription in respect of the Offer.

### **3.4 Shortfall**

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall. Shareholders who wish to apply for Shares above their Entitlement can complete an application for additional Shares using the Entitlement and Acceptance Application Form accompanying this Prospectus and return it, together with a cheque for the value of those Shortfall Shares (at \$0.04 per Share) to the Company.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Shares offered pursuant to the Shortfall Offer shall be \$0.04 being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus. The Shortfall shall be placed at the discretion of the Company. The Company reserves the right subject to the requirements of Exception 3 in Listing Rule 7.2 to allot to an applicant a lesser number of Shortfall Shares than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall. The Shortfall offer will close on that date which is 3 months after the Closing Date, unless closed earlier at the discretion of the Directors.

### **3.5 Australian Securities Exchange Listing**

Application for official quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Shares and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

### **3.6 Allotment of Shares**

Shares issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the Shares on the basis of a Shareholder's Entitlement. Where the number of Shares issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act.

The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

### **3.7 Overseas Shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Shareholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

### **3.8 Taxation Implications**

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

### **3.9 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship**

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

### **3.10 Privacy Act**

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and

corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

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## **4. COMPANY OVERVIEW**

### **4.1 Company Overview**

The Company listed on the Australian Securities Exchange in February 2008. The Company has acquired a portfolio of advanced tin exploration projects in the southern Herberton tin field, near Cairns in northern Queensland. The Company has maintained focus on its three key project areas of Gillian, Pinnacles and Windermere.

A summary of the Company's 3 major projects, the mill concept and metallurgy advancements to date, are available on the Company's web site and outlined in brief below.

### **4.2 Gillian**

The Gillian Project is the most advanced project held by the Company. The Company has drilled a total of 4,454 metres across 81 holes at the project and this drilling has resulted in some very encouraging intercepts. Gillian currently has a JORC Measured Resource of 1.2 million tonnes @ 0.82% Sn and a JORC Indicated Resource of 824,100 tonnes @ 0.73% tin. The mineralisation is open ended with magnet/geophysics interpretations indicating extensions of strike at both ends. There is also potential for extensions at depth.

### **4.3 Pinnacles**

The Company has drilled a total of 1,949 metres across 50 holes at the Pinnacles project. The project has a total JORC Resource of 1.87 million tonnes @ average grade 0.41% Sn. Skarn mineralisation has been intersected over the 700 metres of strike length, and the central 150 metres of strike length in the south of the project hosts the best widths of mineralisation.

### **4.4 Deadmans Gully /Windermere**

The Company has drilled a total of 210 metres across 6 holes at the Deadmans Gully offset of this project. This project has a JORC Indicated Resource of 401,500 tonnes @ 0.49% Sn. The project is characterised by Ironstone rich-skarn rocks in a northerly strike zone over an area of 2.5 km. The Company plans to conduct further exploration at this Project.

### **4.5 Central Mill Concept**

The Company has identified an ideal location to establish a central mill. The location is close to the Kennedy Highway and high voltage power, as well as being close to the towns of Mt Garnet and Ravenshoe with all community infrastructures. The Company has developed conception plans for this mill site.

The Company will continue to develop the central mill site in parallel with developing the three key deposits, as well as advancing work on metallurgy and extraction optimisation. The Company recognises the central mill will be a high capital expense, which will require the Company to raise further capital.

### **4.6 Metallurgy advancements**

The Company appointed senior metallurgist Bob Shelley to the full time position of Company Metallurgist in August 2009. Mr Shelley is recognised within the Australian tin industry as a pre-eminent expert in the sector. Under Mr. Shelley's expertise and supervision of testwork, and reporting by quality laboratories, the

metallurgy testwork has seen some significant breakthroughs during the past six months. The Company has undertaken the metallurgy testwork as a step-by-step progression of understanding the mineralisation. Each step is accompanied by mineralogical studies and XRD studies to provide grain images of what is being achieved. The eventual decision on the final mineral extraction circuit will come from these metallurgy studies.

The Company expects to confirm the metallurgy treatment circuit in the coming months.

#### 4.7 Major holding in the Herberton tin field

The Company holds a large portion of the known tin mineralisation within the Herberton Tin Field.

#### 4.8 Current Tin Price & Future Outlook

The current tin price is AUD\$21,052/tonne (date 25/05/2010) with strong recovery from the recent low as a result of the global financial crisis. New tin uses and modern health concerns about lead has seen tin return to favour with industry. In addition, strong demand and diminishing global supply has seen recent tin prices return to strong levels.

Table 1: Current JORC Resource at Mt Garnet Tin Project

<b>TIN (Sn)</b>	<b>Measured tonnes</b>	<b>Grade %</b>	<b>Indicated tonnes</b>	<b>Grade %</b>	<b>Inferred tonnes</b>	<b>Grade %</b>	<b>Total tonnes</b>	<b>Grade %</b>
Gillian	1,203,000	0.82	824,100	0.73	974,100	0.83	<b>3,001,200</b>	<b>0.80</b>
Pinnacles - Wafer	-	-	218,200	0.49	1,133,100	0.39	<b>1,351,300</b>	<b>0.41</b>
Pinnacles - Sniska	-	-	-	-	306,900	0.32	<b>306,900</b>	<b>0.32</b>
Pinnacles - Hartog	-	-	-	-	212,700	0.51	<b>212,700</b>	<b>0.51</b>
Deadmans Gully	-	-	401,500	0.49	-	-	<b>401,500</b>	<b>0.49</b>
<b>TOTAL</b>	<b>1,203,000</b>	<b>0.82</b>	<b>1,443,800</b>	<b>0.63</b>	<b>2,626,800</b>	<b>0.56</b>	<b>5,273,600</b>	<b>0.64</b>

#### Competent Person Statement:

The information contained in this Prospectus that relates to assay results of rock samples and drill chips, to mineral resource estimates and to ore reserve estimates of mineralisation is based on information compiled by John Sainsbury (BSc, AusIMM) an executive director of Consolidated Tin Mines Limited. John Sainsbury is a geologist of 30 years experience and has sufficient experience in the type of mineralisation under consideration to qualify as 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 has given and has not withdrawn his consent to the inclusion in this Prospectus of that information in the form and context in which it appears.

## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$2,180,960 (before expenses). The proceeds of the Offer, are planned to be used in accordance with the table set out below:

Proceeds of the Offer	\$
Pre-feasibility study and associated costs	
<i>Resource Drilling</i>	400,000
<i>Metallurgy Studies</i>	400,000
<i>Environment Studies</i>	300,000
<i>Mine Planning</i>	350,000
Total	1,450,000
Working Capital	697,960
Expenses of the Offer <sup>1</sup>	33,000
<b>Total <sup>2</sup></b>	<b>\$2,180,960</b>

#### Notes:

1. Refer to Section 8.6 of this Prospectus for further details relating to the estimated expenses of the Offer.
2. To the extent that the funds raised are less than fully subscribed, the Directors will firstly reduce the amount apportioned to working capital and then from the pre-feasibility study and associated costs on a pro-rata basis. Given the inherent uncertainties associated with exploration and evaluation programs, budgets may be altered to accommodate the results of these activities as they come to hand.

The expenditures shown above may be subject to change, and will be contingent upon results, circumstances and other opportunities. The Directors are of the opinion that on completion of the Offer there will be sufficient working capital for the Company to meet its stated objectives. It is the Directors intention to seek to place sufficient number of the Shortfall Shares to raise the subscription amount of \$2.18 million.

### 5.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$2,147,960 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Shares on issue from 54,524,001, to approximately 109,048,002 Shares following completion of the Offer.

### 5.3 Consolidated Balance Sheet

The unaudited Balance Sheet as at 31 March 2010 and the unaudited Pro Forma Balance Sheet as at 31 March 2010 shown on the following page have been

prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Shares pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

#### Pro-forma Balance Sheet

		Unaudited 31 March 2010 \$	Pro-forma Adjustments \$	Pro-forma After Issue \$
<b>Current Assets</b>				
Cash and cash equivalents	1	621,612	2,147,960	2,769,572
Trade and other receivables		48,520	-	48,520
<b>Total Current Assets</b>		<b>670,132</b>	<b>2,147,960</b>	<b>2,818,092</b>
<b>Non Current Assets</b>				
Bonds and deposits		7,500	-	7,500
Property, plant and equipment		237,154	-	237,154
Exploration and evaluation expenditure		2,799,477	-	2,799,477
<b>Total Non Current Assets</b>		<b>3,044,131</b>	<b>-</b>	<b>3,044,131</b>
<b>Total Assets</b>		<b>3,714,263</b>	<b>2,147,960</b>	<b>5,862,223</b>
<b>Current Liabilities</b>				
Trade and other payables		(352,832)	-	(352,832)
<b>Total Current Liabilities</b>		<b>(352,832)</b>	<b>-</b>	<b>(352,832)</b>
<b>Total Liabilities</b>		<b>(352,832)</b>	<b>-</b>	<b>(352,832)</b>
<b>Net Assets</b>		<b>3,361,431</b>	<b>2,147,960</b>	<b>5,509,391</b>
<b>Equity</b>				
Contributed equity	2	4,478,154	2,147,960	6,626,114
Equity compensation reserve		169,792	-	169,792
Accumulated losses		(1,286,515)	-	(1,286,515)
<b>Total Equity</b>		<b>3,361,431</b>	<b>2,147,960</b>	<b>5,509,391</b>
<b>Notes</b>				
<b>1 Cash and cash equivalents</b>				
Balance as at 31 March 2010		621,612	-	621,612
Proceeds from the issue of 54,524,001 ordinary shares at 4 cents each pursuant to the entitlement offer		-	2,180,960	2,180,960
Payment of capital raising costs		-	(33,000)	(33,000)
Pro-forma balance as at 31 March 2010		621,612	2,147,960	2,769,572

## 2 Contributed equity

Balance as at 31 March 2010	4,478,154	-	4,478,154
Issue of 54,524,001 shares at 4 cents each pursuant to the entitlement offer	-	2,180,960	2,180,960
Costs associated with the capital raising	-	(33,000)	(33,000)
Pro-forma balance as at 31 March 2010	4,478,154	2,147,960	6,626,114

## 5.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

### Shares

	Number
Shares on issue at date of Prospectus	54,524,001
Shares offered pursuant to the Offer	54,524,001
<b>Total Shares on issue after completion of the Offer</b>	<b>109,048,002</b>

### Options

	Number
Quoted exercisable at \$0.20 on or before 31 December 2013	43,475,000
Unquoted exercisable at \$0.12 on or before 31 March 2011	600,000
<b>Total Options on issue after completion of the Offer</b>	<b>44,075,000</b>

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## **6. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES**

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **6.1 General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

### **6.2 Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

### **6.3 Dividend Rights**

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares

credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

#### **6.4 Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

#### **6.5 Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

#### **6.6 Future Increase in Capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

#### **6.7 Variation of Rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

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## **7. RISK FACTORS**

### **7.1 Introduction**

An investment in the Company is not risk free and prospective new investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### **7.2 Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

### **7.3 Share Market Conditions**

There are general risks associated with any investment in the share market. The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **7.4 Additional Requirements for Capital and Going Concern**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the capital raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

Shareholders should note that the condensed Financial Reports of the Company for the half-year ended 31 December 2009 have been prepared on a going concern basis. However, the ability of the Company to continue as a going

concern and to meet planned and committed expenditure requirements is subject to the Company successfully exploiting the investments and mining projects owned by the Company and/or the raising of further equity and/or loan capital. In the event that the Company is not successful in raising further funds, the realisable value of the entity's non-current assets may be significantly less than their current carrying values and the Company may not be able to continue in its present form. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

## **7.5 Exploration Success**

The future profitability of the Company and the value of its securities is directly related to the results of exploration. The mineral tenements held by the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Company's tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. In addition, mineable resources may become depleted, resulting in a reduction of the value of those tenements.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

## **7.6 Operating Risks**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits; failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

## **7.7 Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

## **7.8 Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities, including gold, are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

## **7.9 Environmental Risks**

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

## **7.10 Title Risks and Native Title**

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

## **7.11 Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

## **7.12 Further risks specific to the Company**

The current and future operations of the Company, including exploration, appraisal and production activities, may be affected by a range of factors, including:

- (a) geological conditions;
- (b) alteration to exploration and production programmes and budgets;
- (c) unanticipated operational and technical difficulties;
- (d) mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events;
- (e) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- (f) prevention or restriction of access by reason of political unrest, outbreak of hostilities or inability to obtain consents or approvals (including access agreements entered into with Native Title claimants); and
- (g) uninsured losses or liabilities.

## **7.13 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus. Therefore, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

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## 8. ADDITIONAL INFORMATION

### 8.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the financial statements of the Company for the financial year ended 2009 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
  - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for the

year ended 2009 lodged with ASIC before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (j) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2009 audited financial statements:

<b>Date</b>	<b>Description of Announcement</b>
26/05/2010	Pre-Feasibility Study and Entitlement Issue
21/05/2010	Presentation - International Tin Conference Vancouver
06/05/2010	NQM: Transaction with Consolidated Tin Mines Limited
06/05/2010	Acquisition of NQM Tin Assets Not Proceeding
29/04/2010	Quarterly Activities Report and Appendix 5B
25/03/2010	Changes in Interests of Substantial Shareholders
25/03/2010	Company Presentation
23/03/2010	Change of Director's Interest Notice x 2
22/03/2010	Audio Broadcast - Managing Director
17/03/2010	Acquisition of Tin Assets of North Queensland Metals Ltd
17/03/2010	NQM and CSD Sign Heads of Agreement to Merge Tin Assets
02/03/2010	Half Yearly Accounts
02/03/2010	Appendix 3B
17/02/2010	Securities Being Released From Escrow
15/02/2010	Company Presentation - February 2010
11/02/2010	Amended JORC Resource Upgrade - Gillian Tin Project
02/02/2010	Audio Broadcast - Major JORC Resource Upgrade at Gillian
01/02/2010	Major JORC Resource Upgrade at Gillian Tin Project
29/01/2010	Quarterly Activities Report and Appendix 5B
21/12/2009	Further Significant Tin Intercepts from Gillian Drilling

09/12/2009	Appendix 3B and Section 708A Notice
08/12/2009	Significant Tin Intercepts from Gillian Drilling Program
12/11/2009	Commencement of Drilling - Mt Garnet
10/11/2009	Results of Meeting
30/10/2009	Quarterly Activities Report and Appendix 5B
27/10/2009	Appendix 3B and Section 708 Notice

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.consolidatedtinmines.com.au](http://www.consolidatedtinmines.com.au).

## 8.2 Material Contracts

There are no material contracts for disclosure in this Prospectus.

## 8.3 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus, and total remuneration paid since the end of the last financial year to the date of this prospectus, are:

Name	Shares	Options	Entitlement	Remuneration (\$)
Mr Ralph De Lacey	10,300,000	4,725,000	10,300,000	138,975
Mr John Sainsbury	8,124,426	4,005,000	8,124,426	138,975 <sup>1</sup>
Mr Andrew Kerr	20,000	10,000	20,000	31,792

**Notes:**

1. Mr John Sainsbury provides geological consulting services to the Company via a private company, John Sainsbury Consultants Pty Ltd, in which he has a controlling interest. Mr John Sainsbury receives no other remuneration from the Company.

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares. The Company paid to the Directors a total of \$128,984 in respect of remuneration for the year ended 30 June 2008 and \$406,626 for the year ended 30 June 2009. In addition to the above, the Directors have been paid remuneration totalling \$309,742 from the end of the previous financial year until the date of this Prospectus. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

**8.4 Interests and Consents of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$10,000 for services in relation to this Prospectus.

## 8.5 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

## 8.6 Estimated Expenses of Offer

The estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,010
ASX fees	7,400
Legal expenses	10,000
Printing and other expenses	13,590
<b>Total</b>	<b>33,000</b>

## 8.7 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.08 on 25 March 2010

Lowest: \$0.03 on 21 May 2010

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.04 on 27 May 2010.

## 8.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

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9. **AUTHORITY OF DIRECTORS**

9.1 **Directors' Consent**

Each of the Directors of Consolidated Tin Mines Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 28 day of May 2010

A handwritten signature in black ink, appearing to read 'K. Hart', with a long horizontal stroke extending to the right.

**MR KEVIN HART  
COMPANY SECRETARY  
CONSOLIDATED TIN MINES LIMITED**

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10. **DEFINITIONS**

**Applicant** means a Shareholder or other party instructed by the Underwriter who applies for Securities pursuant to the Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASTC Settlement Rules** means the settlement rules of the securities clearing house which operates CHESS.

**ASX** means the ASX Limited (ACN 008 624 691).

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Closing Date** means the closing date of the Offer, being 5.00pm (WST) on 6 July 2010 (unless extended).

**Company or Consolidated Tin** means Consolidated Tin Mines Limited (ACN 126 634 606).

**Constitution** means the Company's Constitution as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001*(Cth).

**Directors** means the directors of the Company at the date of this Prospectus.

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Issue** means the issue of Shares offered by this Prospectus.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Offer** means the non-renounceable pro rata offer of Shares at an issue price of 4 cents each on the basis of one (1) Share for every one (1) Share held on the Record Date pursuant to this Prospectus.

**Official List** means the official list of ASX.

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

**Quotation** and **Official Quotation** means official quotation on ASX.

**Record Date** means 5.00pm (WST) on 8 June 2010.

**Related Corporation** has the meaning given to that term in the Corporations Act.

**Securities** means Shares.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Shortfall** means those Securities under the Offer not applied for by Shareholders under their Entitlement.

**WST** means Western Standard Time.

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

**Consolidated Tin Mines Limited**

ABN

**57 126 634 606**

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Ordinary fully paid shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 54,524,001 ordinary fully paid shares (to be confirmed depending on acceptances) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) |  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>
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<p>5 Issue price or consideration</p>	<p>4 cents each</p>
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<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds from the Offer will be used to fund the pre-feasibility study in respect of the Company's Mt Garnet Tin Project and provide working capital.</p>
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<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised</p>
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	Number	+Class
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<p>109,048,002            (to be confirmed depending on acceptances)</p>	<p>Ordinary fully paid shares ("CSD")</p>
	<p>43,475,000</p>	<p>Listed options ("CSDO")</p>

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+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	600,000  Unlisted options exercisable at 12 cents each on or before 31/03/2011.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/a

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 1
14	+Class of +securities to which the offer relates	Ordinary fully paid shares
15	+Record date to determine entitlements	8 June 2010
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Fraction entitlements will be rounded up.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	All countries with the exception of Australia and New Zealand.

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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19	Closing date for receipt of acceptances or renunciations	6 July 2010
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	N/a
23	Fee or commission payable to the broker to the issue	N/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/a
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	15 June 2010
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	28 May 2010
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/a
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/a

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+ See chapter 19 for defined terms.

32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?

33 <sup>+</sup>Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

#### Entities that have ticked box 34(b)

38 Number of securities for which <sup>+</sup>quotation is sought

<sup>+</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

39	Class of +securities for which quotation is sought		
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>		
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>		
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number	+Class

**Quotation agreement**

- +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.

+ See chapter 19 for defined terms.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company secretary

Date: 28 May 2010

Print name:

Kevin Ronald Hart

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