

MiningNews.net

ON LOCATION:

Tin junior makes its move

Friday, 16 April 2010

MENTION tin among Australian miners and analysts and you probably won't get much of a reaction. Then again, at the beginning of the AFL season who would've predicted Fremantle vying for top spot on the ladder? By Wally Graham

At the start of this year's AFL season, Fremantle were off the radar of all experts with many condemning them to a bottom eight finish, some even bottom four.

Their rise, and the unpredictability of the occurrence, is a good lesson for those in the resources industry when speculating about the fortunes of particular commodities.

Just like Fremantle has done, one junior exploration company is set to emerge from the pack.

This company comes, not with a speculative iron ore project, but with a well defined, viable tin project that the market, for reasons unknown, continues to ignore.

Cairns-based **Consolidated Tin Mines** has a portfolio of high-quality tin projects located in the historic Herberton Tin Field of north Queensland.

The company's aim is to develop a major tin mining operation at the Mount Garnet tin project, 180 kilometres southwest of Cairns.

The Mount Garnet project is made up of three key projects: Gillian, Pinnacles, and Windermere.

The project has a total JORC-compliant resource of 5.3 million tonnes at 0.64% tin, 5.3Mt 26.39% iron, and 0.96Mt at 15.25% fluorine.

This resource includes a JORC-measured resource of 1.2Mt at 0.82% tin, and a JORC-indicated resource of 824,100t at 0.73% tin at the Gillian project.

"Gillian is the most advanced as we have done the most drilling there," **Consolidated Tin Mines** managing director Ralph De Lacey told MiningNews.net.

"It is getting there in terms of being a good deposit. The drilling there has surprised us at some times and it is sitting on 0.8 per cent tin, which is a good grade for an outcropping, easy mineable deposit."

The company has identified strike length of almost 1 kilometre at Gillian less than 10m from surface to a depth of 80m.

Metallurgical programs are ongoing at the project with results to date helping to confirm it has the potential to be developed into a large tonnage, low mining cost, open pit operation.

"That's the model we have used, to look for a large deposit," De Lacey explained.

"You need a large volume to get the economy of scale so we started off with the round figure of 1 million tonne per annum.

"We have talked about that amongst ourselves for over a decade and I think we are still right and that 1 million tonne per annum is the ideal level to be at.

"We need to put together sufficient ore to have an eight to ten year feed to meet that 1 million per annum.

"We don't necessarily need to have 50 million tonne we just need to have that small bite to start with, identify that and bring that to the necessary confidence level that will satisfy those that want to scrutinise us and drive it, as quick as we can, into a producing mine."

Consolidated Tin Mines has opted to mine the identified shallow ore body at Gillian, which is open at either end and at depth, instead of drilling to prove up more tonnes.

"We are only interested in the easy mineable, low-cost mining section, at this stage. That's what our focus is on," De Lacey said.

"We have confined our drilling to that area. We have not spent, what I would call, wasted money on drilling speculative holes just to see how long or deep it is.

"We don't need to know how long or how deep it is. We just need to know that we have an ore body there that reaches a maximum depth for mining of eighty metres.

"Fifty metres is our ideal, with a maximum strip ratio of 4:1 so it is an easy target to work with."

Gravity table testwork of mineralisation samples recovered from Gillian have confirmed cassiterite concentrate can be recovered at a grade up to 62% tin.

At least 30% of the tin is recoverable at a concentrate assaying at 45% tin, with 40% tin recoverable at a concentrate assaying 17% tin.

The timeline of **Consolidated** Tin Mines has it bringing the Gillian project into production by late 2012, ramping up to full production of 1Mtpa producing 5000t of tin metal in concentrate by mid-2013.

"Once we have Gillian into full production of 5000 tonne of tin metal per annum it will generate a large income," De Lacey said.

"There will be sufficient funds available from that to continue with exploration programs to identify more feed and keep ten years supply ahead."

Wally Graham visited the Mount Garnet project as a guest of **Consolidated** Tin Mines.