

CONSOLIDATED TIN MINES LIMITED

Consolidated Tin Mines building a major Australian Tin Project



Project has JORC Compliant Resource of 7.3Mt @ 0.60% Tin (Sn)

Resource includes a JORC Measured Resource of 1.2Mt @ 0.82% Tin (Sn)

Current Tin Price approx. \$30,000 USD per tonne

Drilling is underway to further expand the Resource & increase the JORC Measured

Tin's rise as a metal of major importance has coincided with Consolidated Tin Mines (CSD) growth, as it develops its Mt Garnet Tin project in northern Queensland into a major Australian tin project.

The price of tin has risen steadily, and sharply, over the past 18 months to a point where it is currently trading at record highs.

The tin price has pushed through the US\$30,000 per tonne mark in recent times, driven by a global increase in the sale of electronic goods and legislation removing lead from solder – where tin is the major substitute.

This period of growth in the tin price has also coincided with the emergence of Consolidated Tin Mines as one of Australia's leading tin exploration and development companies.

Consolidated Tin's major project is the Mt Garnet project, located around 200km south west of Cairns in northern Queensland.

The project is made up of three core deposits - the Gillian, Pinnacles and Windermere deposits – and has a current total JORC Resource of 7.3Mt @ 0.60% tin. This includes 1.2Mt @ 0.82% tin in the JORC Measured category. Mineralisation at the project is near surface (outcropping in places), making it amenable to an open pit mining operation.

The Company has a clear development plan for the project. Via its exploration programs, it aims to establish a total Resource base of 8Mt-10Mt of tin ore, and then progress to a mining operation that will process around one million tonnes of ore to produce around 5,000t of tin in concentrate per annum from a centrally located mill.

Like most Queensland miners, Consolidated Tin's progress was slowed by the heavy wet season experienced last summer. But the project is now back in full operation, and the Company expects to make up any lost time with its program of work for the rest of the year.

Preparations have commenced for a pre-feasibility study at the Mt Garnet project. Water and power supply, ore transport, hydrology and environmental studies are already underway, and additional components will be commenced in the weeks ahead.

The Company commenced its 2011 drilling campaign in April with a 3,500 metre, 65 hole Reverse Circulation (RC) program at the Windermere deposit. Further drilling is now underway at Windermere and also at the Gillian project with assay results expected soon. The Diamond Drilling and RC program at the Gillian deposit will target extensions on the northern and southern ends of the current resource and at depth, as well as further infill drilling to upgrade the resource status.

As the outlook for tin remains positive, so too does the potential of Consolidated Tin Mines at its Mt Garnet tin project.

ASX: CSD

Ph: +61 (7) 4032 3319
Email: info@cstdtin.com.au
www.cstdtin.com.au

Registered Office

395 Lake Street
Cairns North, QLD, 4870
Australia

Consolidated happily plods along

Consolidated Tin Mines Ltd remains on track for production in Queensland in 2013, according to managing director Ralph De Lacey.

"We have been saying that for three years and we think we are on course. Indications are that tin prices will hold until then and I have not seen any negative comment on tin price. There is a supply/demand shortfall. There is comment it may come down a little or go a lot higher and I am confident it will be at a price that we can make it work," he said.

The tin price was sitting nicely above \$US30,000/t when Consolidated took to the field at its Mt Garnet project in the Herberton tin field in far-North Queensland.

Mt Garnet is made up of three projects – Windermere, Pinnacles and Gillian – and the idea is to have ore from those three deposits feed a central mill.

Preparation is under way for a PFS and preliminary work is expected to be completed mid-2011.

When **Paydirt** spoke with Consolidated the company had just started a 3,500m RC drill programme at Windermere, where the focus was to target greater depth intercepts at 60m vertical below outcrop.

It is hoped that the deeper drill testing, based on a grid pattern, will pick up any dip and strike continuity to be developed into a mineralised shape for resources estimation.

The company completed a first phase drilling programme at Windermere late last year and was encouraged by assays that indicated Windermere's resource of 2.1mt @ 0.55% tin was capable of being added to.

In February the company reported results from re-assays of the initial drill programme, which revealed **Hole 148** extended further than 4m @ 0.36% tin, 45.8% iron from 20-24m downhole to 13m @ 0.68% tin, 37.2% iron from 35-48m.

Buoyed by additional mineralisation at Windermere the company was champing at the bit to get drilling, however an extended wet season in North Queensland stymied its progress somewhat.

Fortunately the company did not suffer any flood damage and has entered the field season on the front foot.

A Queensland Government grant of up to \$150,000 will be used to drill two anomalies at



Consolidated Tin technical director John Sainsbury in the company's Mt Garnet tin field where production is scheduled for 2013

Windermere and one at Battle Creek, plus an additional \$3.8 million raised in April ensures Consolidated will be cashed up for its drilling objectives.

"We have strong magnetic anomalies of great interest and the intent is to put deep holes into them and find out what they are. They do show tin occurrences and hopefully they are further extensions of tin," De Lacey said.

Drilling at Windermere is part of a wider programme at Mt Garnet where the company has planned to drill 12,000m leading into August.

The most advanced project within Mt Garnet is Gillian and the aim there is to expand the 3.5mt resource whilst increasing the 1.2mt measured resource.

The company has planned 800m in diameter and 1,500m in RC drilling, targeting potential mineralised extensions on the northern and southern ends of the current resource.

"It is open at both ends although the ore body appears to dip away a bit on both ends. We will be doing drilling on both ends and we will be doing infill drilling to bring the JORC resource up to a higher level of confidence. It is the first time we have done any deep drilling."

While Gillian and Windermere are the company's most advanced projects at Mt Garnet it has not limited its programme of work exclusively to them.

Further drilling has been planned at Pinnacles where Consolidated is developing a ground magnetic survey in conjunction with a 1,500 RC drill programme.

Additionally the company is planning to undertake a regional drilling programme at the Coolgarra Group in order to expose potential mineralised zones.

The programme of work outlined by De Lacey is part of the company's strategy to "plod along one step at a time ticking all the boxes" as it works towards a 2013 production date.

Part of the process has been the continuation of environmental baseline work and metallurgical testwork being carried out at Talison Pty Ltd's processing plant at Greenbushes, Western Australia.

Importantly the company has also entered into an Indigenous Land Use Agreement with Native Title claimants the Bar-Barrum Aboriginal Corp and Bar-Barrum people.

The ILUA is now with the National Native Title Tribunal to start the registration and notification process.

"We see our company as one that has genuine credentials and is moving towards being a production company and it will be a major tin producer. I see ourselves as being a leader in the field," De Lacey said.

– Mark Andrews