

Snapshot:

Current CSD Share Price: **\$0.08**

Current LME Tin Price: **\$21,800**

Detailed information at
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SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

SEPTEMBER QUARTER HIGHLIGHTS

- **CORNERSTONE INVESTOR SECURED**
- **LATEST PHASE OF DRILLING COMPLETED - 8,000m , 106 HOLE PROGRAM**
 - **SIGNIFICANT TIN INTERCEPTS FROM GILLIAN AT DEPTH**
 - **23.0 m @ 1.40 % Sn**
 - **28.5 m @ 0.93 % Sn**
 - **ENCOURAGING TIN INTERCEPTS SOUTH OF CURRENT GILLIAN RESOURCE**
 - **ASSAY RESULTS FROM WINDERMERE CONFIRM FOUR TIN MINERALISED ZONES**
 - **FIRST SHALLOW DEPTH DRILL PROGRAM AT COOLGARRA SHOWS POTENTIAL**
- **PILOT PLANT PROCESS PHASE COMPLETED AT GREENBUSHES**

CORNERSTONE INVESTOR SECURED

During the quarter the Company secured a major cornerstone investor for the Mt Garnet Tin project. Hong Kong based Investment Company, Snow Peak International Investment Limited (Snow Peak) took an initial placement of \$1.6 million in Consolidated Tin, as the first tranche of a proposed long-term investment in the Company designed to see the Mt Garnet project through to production.

The initial placement was 20 million shares at \$0.08c per share, which represented a 17.64% premium to the market price of \$0.068 (at close of trade on 13 September). The placement also included the issue of 10 million listed options to Snow Peak, exercisable at 20 cents each on or before 31st December 2013. Proceeds from the issue will be used to advance the development of the Mt Garnet project and provide working capital.

SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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OVER 8,000m DRILL PROGRAM COMPLETED

In July the Company completed a 106 hole drill program, for a total of more than 8,000 metres of drilling. The drilling targeted the Gillian and Windermere deposits, as well as the Coolgarra project (which is a non-skarn project) within the Mt Garnet project. Details of the drill program are as follows;

Windermere deposit:	4,132 metres RC drilling across 49 holes
Gillian deposit:	1,615 metres RC drilling across 17 holes at the southern extension of mineralised area, and 585 metres diamond drilling across 12 holes
Coolgarra project:	1,816 metres RC drilling across 28 holes

SIGNIFICANT TIN INTERCEPTS AT GILLIAN AT DEPTH

Potential to increase the Gillian resource was further enhanced by assays returned from the drilling, which showed increasing width intercepts of high grade tin at depth (HD 259) and higher than anticipated near surface intersections (HD262).

Highlight results from the Gillian deposit (using 0.2%Sn cut-off) are included in Table 1.

Table 1: Significant assays from the Gillian Deposit

Hole ID	Interval Depth (metres)	Intersection (metres)	% Sn
H241	49 to 53	4 m @	0.47
HD250	60 to 65	5 m @	0.71
HD251	45 to 48.6	3.6 m @	0.35
HD252	1.2 to 21	19.8 m @	1.34
HD253	8 to 11	3 m @	0.35
HD254	3.5 to 9.1	5.6 m @	0.71
	11.5 to 21	9.5 m @	0.26
HD255	12 to 19	7 m @	0.68
HD256	32 to 38	6 m @	0.78
HD257	17 to 37	20 m @	0.93
	41 to 44	3 m @	0.60
HD258	51 to 55.5	4.5 m @	0.24
	110 to 112.5	2.5 m @	1.04
	116.5 to 131.5	15 m @	0.34

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SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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Hole ID	Interval Depth (metres)	Intersection (metres)	% Sn
HD259	82.5 to 111	28.5 m @	0.93
HD260	32 to 36.5	4.5 m @	1.36
	54 to 63.5	9.5 m @	0.98
HD261	30.1 to 56	25.9 m @	0.80
H262	7 to 30	23 m @	1.40

(Average total Sn and Fe results calculated by XRF fused bead method)

One of the best intersections recorded to date, **HD 262 - 23 metres @ 1.4% Sn**, was at shallow depth in an area previously considered in the modeling to be of lesser width and grade.

Assay results from **HD 259 - 28.5 m @ 0.93 % Sn**, indicates that the width of tin mineralisation also increases at depth and this will be a priority target for follow up in the current drilling campaign.

It is important to note that the Gillian mineralisation occurs on a ridge structure, so even at depth the mineralization is still suitable for an open pit, low cost mining model.

This drilling at Gillian also identified zones of copper associated with the tin mineralisation (Refer Figure 2):

**HD252 included an intersection of 11m @ 0.93% Cu,
HD250 included an intersection of 3m @ 0.9% Cu, and
HD253 included an intersection of 2m @ 0.9%Cu.**

Importantly, the copper grade values (although variable due to the nature of the native Cu mineralisation) will make the copper of commercial interest to the Company, as a potential by-product from tin production. Zinc is also showing potential as a by-product. Further drilling will be carried out to determine the extent of copper mineralisation.

The Company is also pleased by the encouraging intersection to the south of the current known Gillian mineralisation, which may represent a potential resource extension.

Drill hole H241, which is located 218m from the southern extent of the known area of mineralisation at Gillian, returned an assay of 4m @ 0.47% Sn.

This area, in the southern zone of the Gillian deposit, will be drilled in the Company's next phase of drilling (Refer Figure 3).

SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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ASSAY RESULTS FROM WINDERMERE CONFIRM FOUR TIN MINERALISED ZONES

The Windermere drill program undertaken during the quarter was designed to target and extend the higher grade zones identified from the Company's previous drilling at Windermere. The program was successful in identifying four tin mineralised zones with strike lengths of up to 430 metres (Refer Figure 1). Drilling has not closed off strike or dip extensions of any of the four zones.

The Windermere ironstone is a series of tin mineralised skarn outcrops over approximately 2.3 kilometres. Of interest at Windermere is the lack of granite drilled adjacent to the tin skarn mineralisation, whereas the Gillian and Pinnacles prospects occur directly adjacent to granite, the source of the tin bearing fluids. The Windermere tin skarn, currently being drilled, is distant from the source granite, and there is good potential to find additional tin skarn type drilling targets as exploration moves towards the granite.

Part of the assay results were received in the June quarter and significant results (using 0.2%Sn cut-off) are shown in Table 2. Assay results received in the September quarter (using 0.2%Sn cut-off) are included in Table 3 overleaf.

Table 2: Initial Windermere assay results

Hole ID	Interval Depth (metres)	Intersection (metres)	Grade % Sn
H148	35 to 50	15 m @	0.63
H186	77 to 79	2 m @	0.54
H187	21 to 32	11 m @	0.38
H188	0 to 2	2 m @	2.7
	20 to 24	4 m @	1.16
H189	45 to 58	13 m @	0.39
H194	7 to 13	6 m @	0.48
H195	25 to 29	4 m @	0.46
H203	33 to 36	3 m @	0.48
H208	86 to 90	4 m @	0.4
H209	31 to 34	9 m @	0.6
H228	20 to 24	4 m @	0.63
H230	20 to 22	2 m @	0.46
	80 to 82	2 m @	0.4
H232	37 to 40	3 m @	0.41

(Average total Sn and Fe results calculated by XRF fused bead method)

SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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Table 3: Significant assays from intersection extensions

Hole ID	Interval Depth (metres)	Intersection (metres)	% Sn
H199	25 to 31	6 m @	0.42
	33 to 35	2 m @	0.30
	64 to 65	1 m @	0.20
H228	20 to 24	4 m @	0.63
	74 to 75	1 m @	0.48
	87 to 90	3 m @	0.41
H229	24 to 26	2 m @	0.23
	108 to 109	1 m @	0.39

(Average total Sn and Fe results calculated by XRF fused bead method)

The drilling at Windermere has confirmed the potential for selective development of higher grade zones within the project into a low cost, open cut mining operation.

FIRST SHALLOW DEPTH DRILL PROGRAM AT COOLGARRA SHOWS POTENTIAL

The initial drill program at the Coolgarra project targeted several historic tin mines within the Mt Garnet project area. It was designed to identify extensions to these old mines, and lower grade 'halo's' around the old workings. Coolgarra is the first non-skarn mineralised area to be drilled by the Company.

Drill hole H312, in the vicinity of the historic Bolivia mine (Refer Figure 4), was identified as warranting follow up drilling. This will be undertaken later this year. Other highlight results (using 0.2% Sn cut-off) from the drilling at Coolgarra are included in Table 4 below.

The assay result from hole H312 was; **20 to 28m downhole 8m @ 0.51% Sn.**

Table 4: Significant results from Coolgarra drilling

Hole ID	Interval Depth (metres)	Intersection (metres)	% Sn
H301	37 to 38	1 m @	0.39
H304	45 to 46	1 m @	0.58
H305	24 to 25	1 m @	0.70
H306	19 to 20	1 m @	0.42
H309	6 to 8	2 m @	0.53
H311	12 to 13	1 m @	1.59
H312	20 to 28	8 m @	0.51
H323	31 to 32	1m @	2.06

(A 0.2%Sn cut-off was used & average total Sn and Fe results calculated by XRF fused bead method)

PILOT PLANT PROCESS PHASE COMPLETED AT GREENBUSHES

As previously reported, the Company completed an 80 tonne bulk sample trial at Greenbushes, in Western Australia, earlier this year. The outcome and options from the bulk sample trial are currently under review.

The testwork for mineralogy comparison between the Gillian, Windermere and Pinnacles deposits is underway. All three deposits are ironstone skarn mineralisation and the testwork will seek to confirm similar mineral extraction circuits across the three deposits.

Laboratory scale metallurgical test work is also continuing to refine and develop the final flow sheet. The results of this testwork will form the base of the project's pre-Feasibility Study.

PRE-FEASIBILITY STUDY

The Company continued to progress its Pre-feasibility Study at the Mt Garnet project during the September quarter.

Water supply, power supply, ore transport, hydrology and environmental study components of the Pre-feasibility Study are currently underway.

The Company will continue with its drill programs in the coming months, with the aim to expand the resource base at the Mt Garnet project.

Further contracts will be awarded for other mining disciplines for the study in the coming months. The Company will release details of these and other progress on the Pre-feasibility Study in due course.

ENVIRONMENTAL BACKGROUND STUDIES

The Company has continued baseline environmental studies within the Gillian, Windermere and Pinnacles deposits, as well as the Battle Creek project.

These studies are a requirement for the permitting of Level 1 mining activities in Queensland. It is also essential that the Company build a database and develop a clear understanding of the environment, and develop environmental management plans prior to any mining impact.

These environmental studies have been ongoing for over two years. North Queensland based environmental consultants, Landline Consultants Pty Ltd has managed the environmental baseline studies across all project areas and a significant amount of data has now been collected and collated.

SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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CORPORATE

1. CAPITAL RASING

During the quarter the Company announced that it had secured Hong Kong based Investment Company, Snow Peak International Investment Limited (Snow Peak) as a cornerstone investor for the Mt Garnet project. Snow Peak took an initial placement of \$1.6 million. On September 14, 20 million fully paid shares and 10 million listed options (exercisable at 20 cents on or before 31 December 2013) were issued to Snow Peak pursuant to this placement.

Proceeds from the issue will be used to advance the development of the Mt Garnet project and provide working capital.

2. SECURITY HOLDERS

Total number of shares on issue at the end of the September quarter was 165,645,734 (with all quoted).

Total options (exercisable at 20 cents each on or before 31st December 2013) on issue were 53,474,990.

Table 5: Consolidated Tin Mines top 5 shareholders at 31 September

SHAREHOLDER	% OF ISSUED CAPITAL
SNOW PEAK INTNL INV LTD	12.07
BEACON MINERALS LTD	9.48
GEOCRYSTAL LTD	6.64
DE LACEY RALPH + RYAN M	6.19
JOHN SAINSBURY CONS PL	5.04

3. CASH RESERVES

The Company has approximately \$1.8 million in cash reserves at the end of the September quarter.

SEPTEMBER QUARTER ACTIVITIES & CASHFLOW REPORT

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UPCOMING ACTIVITIES

The next phase of drilling at the Mt Garnet project has commenced (Refer ASX Announcement 11 October). It will include programs aimed at increasing the current resource at the project. In particular it will focus on the increasing mineralised widths encountered at depth at the Gillian deposit, extending the known mineralisation at the Pinnacles deposit, and also testing other regional skarn and non skarn targets within the project area.

Further regional drill programs to increase resource base will also be designed.

The development of Pre-feasibility Study will continue and the development of environmental management plans will also be progressed.

Funding and joint venture discussions are ongoing.

APPENDICES

Figure 1: *Windermere Tin Mineralised Zones*

Figure 2: *Gillian Diamond Drill Holes showing H262 (Record Tin Intersection) & HD252 (Copper & Tin Intersection)*

Figure 3: *Gillian southern extension*

Figure 4: *Coolgarra Drill Hole Locations*

Figure 5: *JORC Resource Table*

The information contained in this report that relates to assay results of rock samples & drill chips, to mineral resource estimates & to ore reserve estimates of mineralization is based on information compiled by John Sainsbury (BSc, AusIMM). John Sainsbury is a geologist of 30 years experience & 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 & Ore Reserves - JORC Code, 2004 Edition. John Sainsbury is a contractor to Consolidated Tin Mines Limited & has consented to the inclusion of this information in the form & context in which it appears.

Figure 1: Windermere Tin mineralised zones

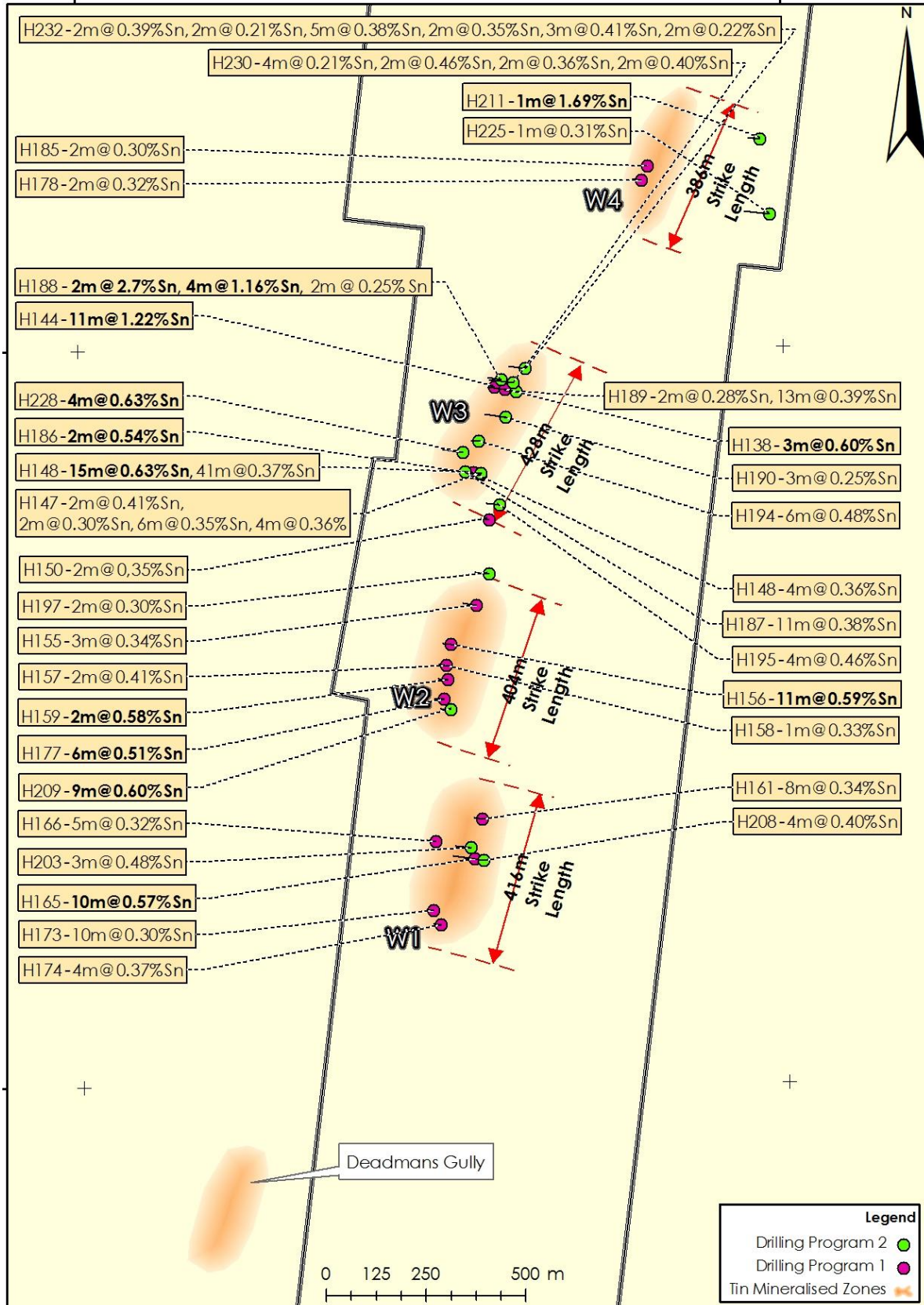


Figure 2: Gillian Diamond Drill Holes showing H262 (Record Tin Intersection) & HD252 (Copper & Tin intersection)

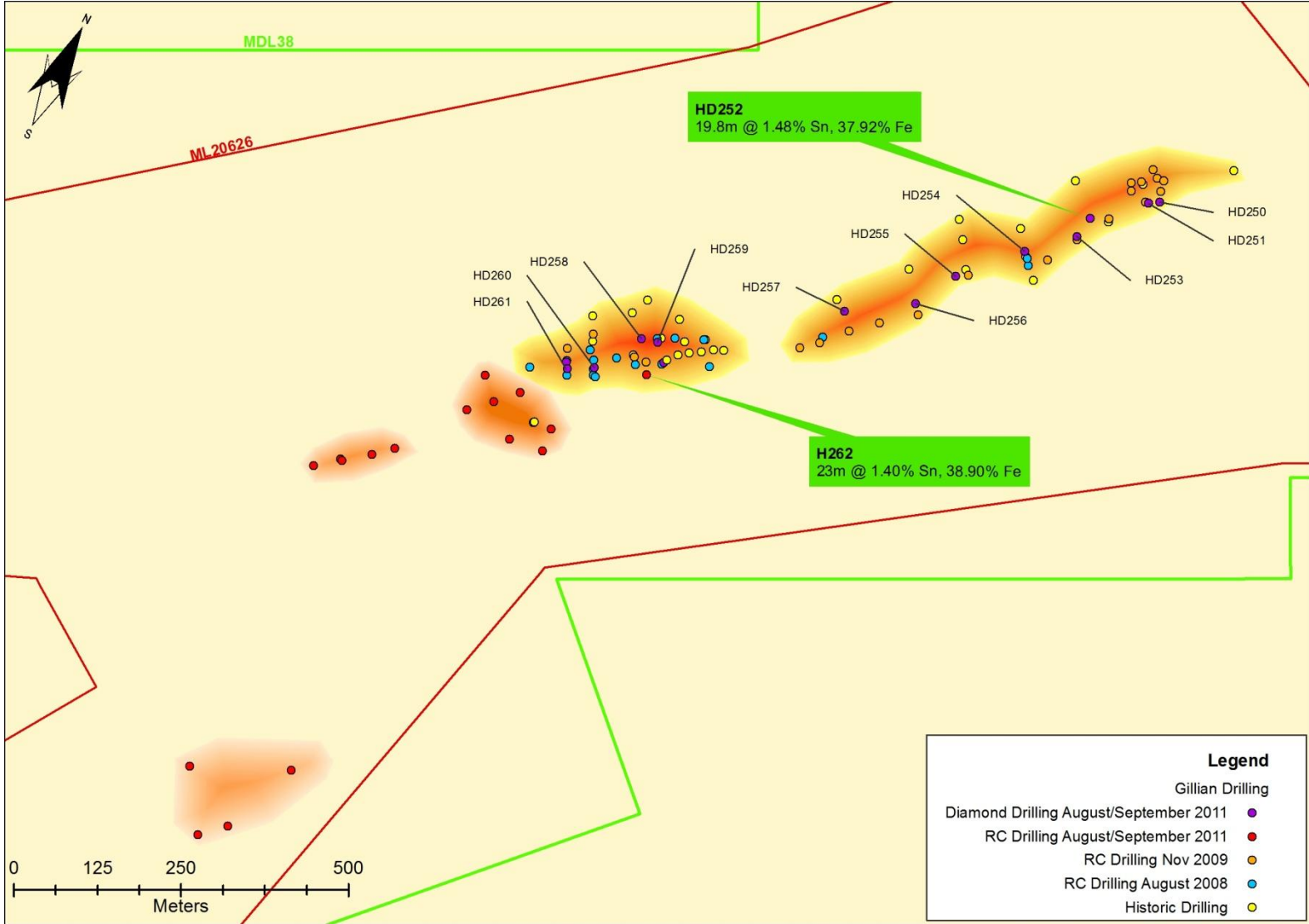


Figure 3: Gillian southern extension

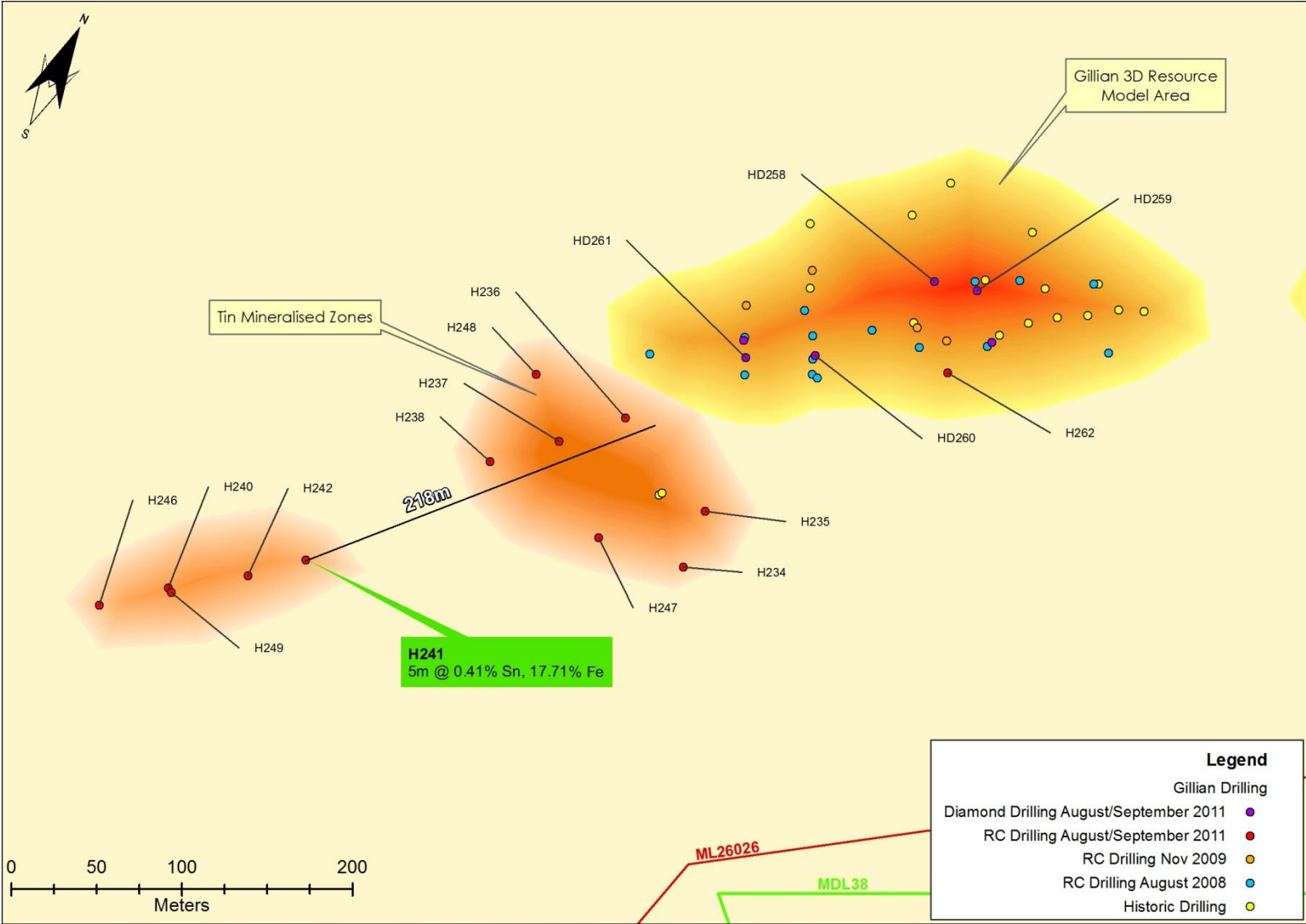


Figure 4: Coolgarra Drill Hole Locations



Figure 5: JORC Resource Table

TIN (Sn)	Measured tonnes	Grade %	Indicated tonnes	Grade %	Inferred tonnes	Grade%	Total tonnes	Grade %
Gillian	1,203,000	0.82	824,100	0.73	974,100	0.77	3,001,200	0.78
Pinnacles - Wafer	-	-	218,200	0.49	1,133,100	0.39	1,351,300	0.41
Pinnacles - Sniska	-	-	-	-	306,900	0.32	306,900	0.32
Pinnacles - Hartog	-	-	-	-	212,700	0.51	212,700	0.51
Deadmans Gully	-	-	401,500	0.49	-	-	401,500	0.49
Windermere	-	-	-	-	2,103,000	0.55	2,103,000	0.55
SUBTOTAL	1,203,000	0.82	1,443,800	0.63	4,729,800	0.54	7,421,643	0.60
*Jeannie River	-	-	-	-	2,240,000	0.60	2,240,000	0.60
*TOTAL	1,203,000	0.82	1,443,800	0.63	6,969,800	0.56	9,661,643	0.60

= 44,530t Sn

= 13,440t Sn

= 57,970t Sn

*subject to finalisation of title transfer

IRON (Fe)	Measured tonnes	Grade %	Indicated tonnes	Grade %	Inferred tonnes	Grade %	Total tonnes	Grade %
Gillian	1,203,000	31.35	824,100	29.75	974,100	27.67	3,001,200	29.72
Pinnacles - Wafer	-	-	218,200	20.21	1,133,100	27.88	1,351,300	16.87
Pinnacles - Sniska	-	-	-	-	306,900	22.90	306,900	22.90
Pinnacles - Hartog	-	-	-	-	212,700	13.75	212,700	13.75
Deadmans Gully	-	-	401,500	34.89	-	-	401,500	34.89
TOTAL	1,203,000	31.35	1,443,800	29.73	2,626,800	26.08	5,273,600	25.78

FLUORINE (F)	Measured tonnes	Grade%	Indicated tonnes	Grade %	Inferred tonnes	Grade %	Total tonnes	Grade %
Pinnacles - Wafer	-	-	-	-	348,300	18.54	348,300	18.54
Pinnacles - Sniska	-	-	-	-	306,900	12.00	306,900	12.00
Pinnacles - Hartog	-	-	-	-	212,700	15.50	212,700	15.50
Pinnacles - Llahsram	-	-	-	-	91,700	13.00	91,700	13.00
TOTAL	-	-	-	-	959,600	15.25	959,600	15.25

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/10

Name of entity

CONSOLIDATED TIN MINES LIMITED

ABN

57 126 634 606

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 mths) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(1,181)	(1,181)
(b) development	-	-
(c) production	-	-
(d) administration	(259)	(259)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development tax concession	-	-
Net Operating Cash Flows	(1,432)	(1,432)
Cash flows related to investing activities		
1.8 Payment for purchases: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(14)	(14)
(d) bonds & deposits	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) bonds & deposits	3	3
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(11)	(11)
1.13 Total operating and investing cash flows (carried forward)	(1,443)	(1,443)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,443)	(1,443)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,600	1,600
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)	(114)	(114)
	Net financing cash flows	1,486	1,486
	Net increase (decrease) in cash held	43	43
1.20	Cash at beginning of quarter/year to date	1,756	1,756
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,799	1,799

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

		Curent quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	90
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.

Appendix 5B
Mining exploration entity quarterly report

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	500
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	700

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	82	737
5.2 Deposits at call	1,717	1,019
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,799	1,756

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			
6.2	Interests in mining tenements acquired or increased	EPM18795	0%	100%
		EPM18118	0%	100%

+ See chapter 19 for defined terms.

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	165,645,734	165,645,734		
7.4 Changes during quarter				
(a) Increases through issues	20,000,000	20,000,000		
(b) Decreases through returns of capital, buy-backs	-	-		
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>	53,474,990	53,474,990	Exercise price 20 cents	Expiry date 31/12/2013
7.8 Issued during quarter	10,000,000	10,000,000	20 cents	31/12/2013
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 26 October 2011

(Company secretary)

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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