

29<sup>th</sup> April 2016

ASX/MEDIA RELEASE

ASX: CSD Share Price: \$0.034

ABN: 57 126 634 606

**MARCH 2016 QUARTER ACTIVITIES AND CASHFLOW REPORT**

Consolidated Tin Mines Limited (CSD) (Company) is pleased to present the activities and cash flow report for the March Quarter.

**BASE METAL PRODUCTION**

During the March Quarter 118,790 tonnes of ore was produced from the Snow Peak Mining Pty Ltd (SPM) owned Mt Garnet underground mine located adjacent to the Mt Garnet processing plant. The SPM owned Surveyor Mine located 180k south of Mt Garnet remains on temporary care and maintenance.

During the March 2016 Quarter 8,519 DMT of Zinc concentrate and 907 DMT tonnes of Copper concentrate was hauled to Townsville Port for export.

The Mt Garnet concentrator continues operating 24/7 with through-put of approximately 1,149.7 ore tonnes per day.

<b>Mt Garnet Processing Plant</b>		<b>Amount</b>
<b>Jan – Mar 2016</b>		
Average Processed Tonnes Per Hour	(t)	51.68
Average Daily Ore Processed	(DMT)	1,149.7
Average Daily Concentrate Zn	(DMT)	93.62
Average Daily Concentrate Pb	(DMT)	0.0
Average Daily Concentrate Cu	(DMT)	9.96
Zn Metal Tonnes Produced	(t)	3,989
Zn Average Feed Grade	%	4.38
Pb Metal Tonnes Produced	(t)	0
Pb Average Feed Grade	%	0.0
Cu Metal Tonnes Produced	(t)	261
Cu Average Feed Grade	%	0.40
Ag Metal Ounces (Troy) Produced	(oz)	19,864
Concentrate Hauled to Townsville Port Jan-Mar 2016	(DMT)	9,401

The following shipments were exported in the March Quarter:

- MV Irongate – 10,700 wmt zinc concentrate and 1,588 wmt copper concentrate
- MV Ocean Voyager – 5,393 wmt zinc concentrate

## MT GARNET TIN PROJECT

The Company has located two areas close to Gillian that potentially carry tin bearing ironstone skarn with similar metallurgical characteristics to Gillian ore. These areas are the Tin01 and Wriggly prospects.

These two prospects are part of the SPM assets purchased from Kagara Ltd which have not previously been investigated by CSD for tin.

CSD has identified anomalous areas of mineralisation associated with the tin bearing ironstones. The Company has undertaken sampling and mapping of the outcropping structures that have identified similarity to Gillian mineralogy (refer ASX release 11 April 2016).

## EXPLORATION ACTIVITY

The Company, through a farm-in agreement between SPM and Wanguo International Mining Group (Wanguo) over SPM's Exploration tenures, is actively exploring within the highly prospective Einasleigh/Greenvale areas, however the program was put on hold for the quarter due to the North Queensland wet season. Results from drilling undertaken in the previous quarter were released on 10 March 2016

### Summary of Results

#### Kaiser Bill – Drill Hole KB153 and KB155

As significant mineralisation was achieved in drill hole KB151 (ASX release 15 October 2015), drill testing was undertaken on the southern down-dip edge of Kaiser Bill. Of particular note was the copper and gold grades being well above the grades of the current resources.

Hole <b>KB153</b>	Northing (m) 7948448	Easting (m) 186780	RL (m) 478.4	EOH (m) 333.9	Dip -75	Azi (AMG) 326.5°
	FROM	TO	INTERVAL	%Cu	g/t Ag	g/t Au
	259	281	22	1.57	1.3	0.34
Includes	263	275	12	2.3	4.8	0.54
Hole <b>KB155</b>	Northing (m) 7948490	Easting (m) 186870	RL (m) 478	EOH (m) 351.7	Dip -75	Azi (AMG) 316.5°
	FROM	TO	INTERVAL	%Cu	g/t Ag	g/t Au
	305	319	14	1.59	5.55	0.27
Includes	308	315	7	2.08	6.14	0.32
	323	327	4	3.3	13.5	0.74

### Jackson – Drill Hole JA087b and JA088

As significant mineralisation was intersected in drill hole JA086 (ASX Release 15 October 2015), drill testing to extend the Jackson resource was undertaken. The additional drilling within the Jackson deposit opens up a significant area of potential mineralisation, as drilling previously suggested that this resource terminated at earlier drill hole JA004.

Hole <b>JA087b</b>	Northing (m) 7939486	Easting (m) 815486	RL (m) 586.5	EOH (m) 402.7	Dip -65	Azi (AMG) 356.5°	
	FROM	TO	INTERVAL	%Pb	%Zn	%Cu	g/tAu
	370	383	14	1.6	4.3	0.3	42.8
Hole <b>JA088</b>	Northing (m) 7939663	Easting (m) 815630	RL (m) 593	EOH (m) 237.8	Dip -82	Azi (AMG) 141.5°	
	FROM	TO	INTERVAL	%Pb	%Zn	%Cu	g/tAu
	207	212	5	1.1	4.2	0.18	75.8

Full information in regards to the above drill holes is reported under ASX release dated 10 March 2016.

### **ASSET SALE AGREEMENT**

The Company entered into Voluntary suspension on 21<sup>st</sup> December 2015 and extended this suspension until Monday 1 February 2016. On 1 February 2016, trading recommenced and the Asset Sale Agreement (ASA) between Snow Peak Mining Pty Ltd (SPM) and Snow Peak International Investments Pty Ltd (SPII) was reinstated on the same terms and conditions. CSD remained as Manager and Agents of SPM operations during suspension and continues until such time as settlement is completed.

On 3<sup>rd</sup> March 2016 the Notice of General Meeting was issued to Shareholders, notifying the General Meeting to be held on Tuesday, 5<sup>th</sup> April 2016 at 9am.

For a further update see below section “Activities completed post 31 March 2016”

### **NEXT QUARTER ACTIVITIES**

- ❖ Continuation of Mining and processing of base metals at Mt Garnet
- ❖ Finalisation of SPM asset transfer and settlement
- ❖ Securing US\$20M funding facility
- ❖ Project planning for current mining continuation
- ❖ Continuation of the Tin Project development
- ❖ Continued exploration within current base metal mining areas
- ❖ Continuation of exploration within the Einasleigh Project

## **CORPORATE**

On 21 December 2015, CSD requested a trading halt for the purpose of reviewing the Company's operations including the acquisition of the assets of Snow Peak Mining Pty Ltd. The trading halt was extended and remained until 1 February 2016.

The Company changed Auditors from BDO Audit (Nth Qld) to KPMG, Sydney as the replacement auditor (ASX release dated 29 January 2016).

On 26 February 2016, CSD accepted the resignation of Mr John Banning as Managing Director of the Company. Mr Ralph De Lacey assumed the role of Managing Director in addition to his role as Co-Chairman.

The Company has been advised that the \$1M loan facility from ARM (NQ) Pty Ltd (refer ASX release 12 November 2014) is currently not available to be drawn by the Company.

The Company has secured a formal agreement with Beijing Huacheng Dadi Investments Limited for a loan guarantee facility of Twenty Million US Dollars (US\$20M) for working capital requirements and continued development of existing assets (ASX release dated 29 February 2016). This guarantee will facilitate a loan from a Chinese Commercial Bank to CSD, which will be available following settlement of the ASA.

### **Activities Post 31 March 2016:**

On 19 April 2016, the Company made the announcement of the completion of the acquisition of assets from Snow Peak Mining, issuing 580,000,000 shares and 165,000,000 convertible notes to Snow Peak Mining Pty Ltd and 30,000,000 shares to Snow Peak International Investments Ltd (as Consideration Securities) under the terms of the Asset Sale Agreement dated 23 October 2014, as varied. Transfer of certain assets, including the tenements, will occur upon the necessary approvals and consents being obtained, including approval from the Foreign Investment Review Board (FIRB).

The settlement also now paves the way for the receiving of US\$20M from a Chinese Commercial Bank, as per the formal agreement with Beijing Huacheng Dadi Investments.

## 1. SECURITY HOLDERS

Total ordinary shares on issue 279,970,521

### Top 5 Shareholders at 31 March 2016

Shareholder	% Of Issued Capital
Snow Peak International Investments Ltd	22.75
ARM (NQ) Pty Ltd	11.56
De Lacey Ralph + Ryan M	5.80
Citicorp Nom PL	2.50
Jl Baoxian	1.81

## 2. CASH RESERVES & LOAN FACILITIES

The Company had A\$53,000 in cash reserves at the end of the March quarter.

The Company has secured a formal agreement with Beijing Huacheng Dadi Investments Limited for a loan guarantee facility of Twenty Million US Dollars (US\$20M). This guarantee will facilitate a loan from a Chinese Commercial Bank. Once received these funds will be utilised for working capital requirements and continued project development.

For further information, please contact:  
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The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

**Table 1: Schedule of Tenements**

Registered Holder	Tenement No.	Tenement Name	Interest at start of quarter	Interest at end of quarter	Status
Consolidated Tin Mines	MDL 38	Gillian	100%	100%	Granted
	MDL 381	Windermere	100%	100%	Granted
	MDL 448	Herberton Deep Lead	100%	100%	Granted
	MDL 482	Jeannie River	100%	100%	Granted
	EPM 14185	Mt Garnet	100%	100%	Granted
	EPM 15611	Lynd River	100%	100%	Granted
	EPM 17073	Mt Garnet Extended	100%	100%	Granted
	EPM 17547	Tate River Extended	100%	100%	Granted
	EPM 17548	Petford East	100%	100%	Granted
	EPM 17550	Herberton Extended	100%	100%	Granted
	EPM 17551	Smiths Creek	100%	100%	Granted
	EPM 17623	Mt Garnet West	100%	100%	Granted
	EPM 17753	Mt Garnet Nth West	100%	100%	Granted
	EPM 17875	Lynd River Extended	100%	100%	Granted
	EPM 17917	Smith's Creek Extended	100%	100%	Granted
	EPM 18000	Mt Garnet East	100%	100%	Granted
	EPM 18118	Bolwarra	100%	100%	Granted
	EPM 18321	Mt Garnet South	100%	100%	Granted
	EPM 18795	Gillian	100%	100%	Granted
	EPM 19105	Jimbilby North	100%	100%	Granted
	EPM 19204	Nettle Creek South	100%	100%	Granted
	EPM 19323	Kangaroo Creek	100%	100%	Granted
	EPM 19468	Jeannie River Extended	100%	100%	Granted
	EPM 19603	Dinner Creek	100%	100%	Granted
	EPM 25386	Spring Creek	100%	100%	Granted
	EPM 25427	Nettle Creek	100%	100%	Granted
	EPM 25428	Reedy Creek	100%	100%	Granted
	EPM 25689	Twelve Mile	100%	100%	Granted
	EPM 25702	Soda	100%	100%	Granted
	EPM 25711	Brownville	0%	100%	Granted
	EPM 25939	Torwood	100%	100%	Granted
	EPMA 26087	Einisleigh Extended	0%	0%	Application
	MLA 20583	Mid Battle Creek	0%	0%	Application
	MLA 20584	Nettle Creek Extended	0%	0%	Application
MLA 20585	Upper Battle Creek	0%	0%	Application	
MLA 20693	Pinnacles	0%	0%	Application	
MLA 20694	Windermere	0%	0%	Application	
ML 20743	Gillian	100%	100%	Granted	
MLA 100022	Maitland	0%	0%	Application	
Registered Holder	Tenement No.	Tenement Name	Interest at start	Interest at end	Status
CTM Alluvial Pty Ltd	ML 4069	Nettle Creek	100%	100%	Granted
	ML 4073	Nettle Creek	100%	100%	Granted
	ML 4074	Nettle Creek	100%	100%	Granted
	MLA 20544	Return Creek	0%	0%	Application
	MLA 20721	Kangaroo Creek	0%	0%	Application
	MLA 20722	Martins Terrace	0%	0%	Application
	MLA 20723	Martins Hill	0%	0%	Application
	MLA 100023	Boomerang	0%	0%	Application