

18 August 2017

ASX/MEDIA RELEASE

ASX: CSD Share Price: \$0.025 (in trading halt)

ABN: 57 126 634 606

JUNE 2016 QUARTER ACTIVITIES REPORT

QUARTERLY ACTIVITIES OVERVIEW

- ❖ Mining activities continued from 1 April to 20 May 2016
- ❖ Two shipments of Ore were exported from Australian Shores to China and Korea
- ❖ Asset Sale agreement settled through issue of consideration shares and convertible notes on 19 April 2016
- ❖ Mr Ze Huang Cai (Martin), current Chief Financial Officer, appointed Company Secretary 9 June 2016

BASE METAL PRODUCTION

During the June Quarter 52,365 tonnes of ore was produced from the Mt Garnet site, with the Surveyor and Baal Gammon sites remaining on care and maintenance. The Mt Garnet processing plant was placed in a temporary shut down on 20 May 2016. Due to extended timeframes for anticipated funding, the plant remained in temporary shutdown for the remainder of the quarter with the below table being ore produced from 1 April to 20 May.

Mt Garnet Processing Plant		Amount
April – May 2016		
Average Processed Tonnes Per Hour	(t)	48.98
Average Daily Ore Processed	(DMT)	844.59
Average Daily Concentrate Zn	(DMT)	74.52
Average Daily Concentrate Pb	(DMT)	0.0
Average Daily Concentrate Cu	(DMT)	9.04
Zn Metal Tonnes Produced	(t)	2,100
Zn Average Feed Grade	%	4.71
Pb Metal Tonnes Produced	(t)	0
Pb Average Feed Grade	%	0.0
Cu Metal Tonnes Produced	(t)	162
Cu Average Feed Grade	%	0.42
Concentrate Hauled to Townsville Port Apr-May 2016	(DMT)	3,941

The following shipments were exported in the June Quarter:

- MV Alkyonis – 1,460 wmt copper concentrate
- MV Hanjin Mimitsu – 7,500 wmt zinc concentrate

MT GARNET TIN PROJECT

Due to restricted finances in the June quarter, no further developments continued with the Mr Garnet Tin Project.

EXPLORATION ACTIVITY

Exploration, through a farm-in agreement between SPM and Wanguo International Mining Group (Wanguo) over SPM's Exploration tenures, was temporarily suspended due to the North Queensland wet season. Due to Wanguo's private interests in exploration in another Country, Wanguo did not continue exploration activities under the farm-in agreement in the June quarter.

ASSET SALE AGREEMENT

On 5 April 2016, the resolutions contained in the Notice of Meeting dated 1 March 2016 were considered and were all passed unanimously on a show of hands.

Snow Peak Mining Pty Ltd and Snow Peak International Investments Ltd were issued with the Consideration Securities on 19 April 2016, under the terms of the Asset Sale Agreement (ASA) dated 23 October 2014. The issue of the Consideration Securities was in accordance with shareholder approval and brings settlement under the ASA.

CORPORATE

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).

On 9 June 2016, the Company advised that Mr Ze Huang (Martin) Cai was appointed as Company Secretary in addition to his current role as Chief Financial Officer. This appointment replaces Mr Kevin Hart, who has been Company Secretary since Company commencement in 2007.

An announcement by the Company on 27 June 2016 advised the market of a request for trading halt to allow the Company to undertake a review of its short term working capital requirements. This announcement was followed by a further extension to the trading halt dated 6 July 2016.

SUBSEQUENT TO QUARTER END

Along with the Request for extension to Voluntary Suspension, the Company advised the market on 6 July 2016 that due to delays in finalising current working capital the mining assets are held in maintenance shutdown and exploration programs on the permits have ceased.

Mr Darryl Harris advised the Company of his resignation as Non-Executive Director on 13 July 2016.

On 15 July 2016, the Company requested further time to continue to pursue negotiations regarding working capital requirements and funding options. The extension was requested until Friday 22 July 2016 or announcement is made.

Unfortunately, the Company was not able to realise requisite working capital funding in sufficient time and the Board of Directors regretfully decided to appoint Voluntary Administrators on 19 July 2016 to allow the Company time to complete the \$20 million funding.

Mr Blair Pleash and Ms Kathleen Vouris of Hall Chadwick Chartered Accountants were appointed as Joint and Several Voluntary Administrators of the Company pursuant to Section 436A of the Corporations Act 2011 on Tuesday 19 July 2016.

The mining operations remained in care and maintenance and the Administrators took control of the Company's operations.

During the period of the Voluntary Administration, the Board resolved that it was in the best interests of the Company to restructure the Company and introduce additional equity to strengthen the Company's balance sheet. The directors initiated discussions between the Company, SPM and Cyan Stone Pty Ltd (Cyan) resulting in a share subscription agreement between the Company and Cyan as part of a Deed of Company Arrangement proposal. With the emergence of funding from Cyan, the Company discontinued its pursuit of the US\$20 million facility in November 2016.

Together with Cyan and SPM, the directors of the Company proposed a Joint Deed of Company Arrangement that was considered and approved by creditors at a second meeting of creditors held on 23 November 2016. The Company executed a Joint Deed of Company Arrangement together with SPM on 8 December 2016, the Joint Deed of Company Arrangement was subsequently effectuated on 12 January 2017.

The Company has recommenced operations at the Mt Garnet and Surveyor Mines with a view to recommence mining and processing at the Mt Garnet Processing Plant in early financial year 2017-18. The Company has also commenced exploration activities on a number of near mine targets and existing resources.

CASH RESERVES & LOAN FACILITIES

The Company had A\$1,094,967 in cash reserves at the end of the June 2016 quarter.

The voluntary administration of the Company was funded by Ming Huang Trading Limited (Ming Huang) and Cyan. The funds injected by Ming Huang are not interest bearing and are payable at call.

Following execution of the Deed of Company Arrangement, Cyan agreed to provide the Company with pre-payments of the subscription funds to fund the Company's working capital requirements and exploration activities.

Whilst this is not a loan facility, should shareholders not approve the issue of shares to Cyan, the amounts prepaid will be converted into an interest bearing loan.

SECURITY HOLDERS

As a result of settlement of the Asset Sale Agreement with Snow Peak Mining Pty Ltd on 19 April 2016 and the issuance of consideration shares pursuant to that agreement, the composition of the Company's shareholders changed significantly during the June 2016 quarter.

As at 30 June 2016, the total number of ordinary shares on issue is 889,970,521.

Top 5 Shareholders at 30 June 2016

Shareholder	% Of Issued Capital
Snow Peak Mining Pty Ltd	65.17
Snow Peak International Investments Ltd	10.53
ARM (NQ) Pty Ltd	3.64
De Lacey R & Ryan M	1.83
Citicorp Nom PL	0.79

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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 as at 30 June 2016

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	Jimbilly 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	100%	100%	Granted
	EPM 25939	Torwood	100%	100%	Granted
	EPMA 26087	Einasleigh Extended	0%	0%	Application
	EPMA 26540	Silver Valley	0%	0%	Application
EPMA 26635	Einasleigh Upper	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	EMPA 26453	Lynd Regional	0%	0%	Application
	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

Registered Holder	Tenement No.	Tenement Name	Interest at start of quarter	Interest at end of quarter	Status	Pending Transfer Holder *
Snow Peak Mining Pty Ltd	EPM 9323	Balcooma	100%	100%	Granted	SM PL
	EPM 12510	Horse Mountain	100%	100%	Granted	CSD
	EPM 12513	Ironstone Knob	100%	100%	Granted	CSD
	EPM 13072	Einasleyh	100%	100%	Granted	SM PL
	EPM 13229	Balcooma East	100%	100%	Granted	SM PL
	EPM 13272	Mount Garnet West	100%	100%	Granted	CSD
	EPM 14107	Balcooma Extended 2	100%	100%	Granted	SM PL
	EPM 14626	Mount Garnet Ext	100%	100%	Granted	CSD
	EPM 16024	Expedition Creek	100%	100%	Granted	CSD
	EPM 16072	Mount Garnet	100%	100%	Granted	CSD
	EPM 18093	Newcastle	100%	100%	Granted	SM PL
	EPM 18165	Caldera	100%	100%	Granted	SM PL
	EPM 18257	Coolabah	100%	100%	Granted	SM PL
	EPM 18284	Nine Mile	100%	100%	Granted	SM PL
	EPM 18558	Blacksoil	100%	100%	Granted	SM PL
	EPM 18806	Mt Garnet	100%	100%	Granted	CSD
	EPM 25199	Fish Hole Creek	100%	100%	Granted	SM PL
	EPM 25200	Telegraph Creek	100%	100%	Granted	SM PL
	EPM 25202	Mt Juliet	100%	100%	Granted	SM PL
	EPM 25211	Tooth Dam	100%	100%	Granted	SM PL
	EPM 25259	Surveyor Two	100%	100%	Granted	SM PL
	EPM 25276	Catepillar	100%	100%	Granted	SM PL
	EPM 25277	Mt Garnet South	100%	100%	Granted	CSD
	EPM 25424	Railway	100%	100%	Granted	SM PL
	EPMA 25451	Stockman	0%	0%	Application	SM PL
	EPM 25498	Balcooma West	100%	100%	Granted	SM PL
	EPMA 25522	Telegraph Extended	0%	0%	Application	SM PL
	ML 1393	Balcooma	100%	100%	Granted	CSD
	ML 4042	Mount Garnet No 2	100%	100%	Granted	CSD
	ML 4043	Mount Garnet No 3	100%	100%	Granted	CSD
	ML 4044	Mount Garnet No 4	100%	100%	Granted	CSD
	ML 4130	Mount Garnet No 5	100%	100%	Granted	CSD
	MLA 20005	Mount Garnet Ext Nth	0%	0%	Application	CSD
	ML 20016	Mount Garnet No 6	100%	100%	Granted	CSD
	MLA 20105	Mount Garnet Sth Wst	0%	0%	Application	CSD
	ML 30156	Balcooma 95	100%	100%	Granted	CSD
	MLA 30211	Kaiser Bill	0%	0%	Application	SM PL
	MLA 30212	Einasleyh	0%	0%	Application	SM PL
	MLA 30214	Transport MLA	0%	0%	Application	SM PL
	MLA 30217	Chloe	0%	0%	Application	SM PL
MLA 100001	Mount Garnet South	0%	0%	Application	CSD	

*Pending transfer holder = CSD – Consolidated Tin Mines Limited, SM PL – Surveyor Mining Pty Ltd

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

CONSOLIDATED TIN MINES LIMITED	
ABN	Quarter ended ("current quarter")
57 126 634 606	30 JUNE 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 - Proceeds received on behalf of SPM on the operation of Mt Garnet	-	36,767
- Receipts from customers	4,123	4,123
1.2 Payments for		
(a) exploration & evaluation	-	(1,126)
(b) development	-	-
(c) -payments to suppliers on behalf of SPM on the operation of Mt Garnet		(33,632)
- Mt Garnet site expenditure	(1,954)	(1,954)
(d) staff costs		
(e) administration and corporate costs	(1,917)	(5,109)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	24	37
1.5 Interest and other costs of finance paid	(266)	(266)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	10	(1,160)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(3)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other – Cash paid for acquisition of net assets of Snow Peak Mining PL, net of cash acquired	1,032	1,035
2.6 Net cash from / (used in) investing activities	1,032	1,032

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	53	1,223
4.2	Net cash from / (used in) operating activities (item 1.9 above)	10	(1,160)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,032	1,032
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,095	1,095

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	39	53
5.2 Call deposits	1,056	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,095	53

6. Payments to directors of the entity and their associates

Current quarter \$A'000
242
-

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

- | | | |
|------|--------|--|
| (i) | \$16k | Remuneration paid to Directors and associates of the Directors |
| (ii) | \$226k | Labour hire expenses paid to Workforce One Pty Ltd, an entity associated with Messers Ralph De Lacey, Martin Cai, Alex Tsoi and John Banning |

7. Payments to related entities of the entity and their associates

Current quarter \$A'000
-
-

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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8. Financing facilities available

Add notes as necessary for an understanding of the position

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Pursuant to the Asset Sale Agreement (ASA) with Snow Peak Mining Pty Ltd (SPM), the Group acquired assets and assumed the liabilities of SPM. The assumed liabilities included a \$10m loan from Snow Peak Global Company Limited (SPGC). The loan accrued interest at 10%, expired in October 2016 and \$10.75m (including unpaid interest) remains owing, and due and payable at call at the date of signing of this report. The amount outstanding does not continue to accrue interest.

Pursuant to the ASA, the Company issued 165m convertible notes with a face value of \$16.5m to SPM. The Administrators of SPM redeemed the convertible notes on 28 July 2016 and the convertible notes became a liability that was due and payable immediately from that date. \$16,816,438 is owing, and due and payable at call at the date of signing of this report. The amount outstanding does not continue to accrue interest.

The Company entered into a formal agreement with Beijing Huacheng Dadi Investments Limited (BHDI) to secure a loan guarantee facility of US\$20million. BHDI will provide the Company with a guarantee to facilitate a US\$20million loan from a Chinese Commercial Bank. The Company is seeking a loan facility with a term of 2 years and interest fixed at approximately 4% per annum. Upon drawdown from the loan guaranteed by BHDI, the Company will be liable to pay BHDI a guarantee fee of US\$350,000 per quarter. The Company discontinued its pursuit of this facility in November 2016.

Ming Huang Trading Limited provided the Company with a loan to fund care and maintenance operations during the voluntary administration of the Company. As at the date of signing this report, Ming Huang Trading Limited had provided \$2,723,913. This loan is not interest bearing and is due and payable at call.

Pursuant to a share subscription agreement and prepayment agreement, Cyan Stone Pty Ltd (Cyan) provided the Company with a loan to fund care and maintenance operations during the voluntary administration of the Company, to provide funds for the establishment of a creditors trust pursuant to the Deed of Company Arrangement executed by the Company, SPM and Cyan on 8 December 2016 and effectuated on 12 January 2017, to fund the Company's working capital requirements to recommence mining and processing operations and to fund the Company's exploration activities. As at the date of signing of this report, Cyan has prepaid the Company \$33,213,744. This prepayment is not interest bearing and will be converted into equity subject to shareholder approval. Should shareholder approval be not forthcoming, the prepayment will convert into a secured interest bearing loan, accruing interest at a rate of 10% per annum and will be due and payable immediately.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Care and maintenance	(260)
9.4 Staff costs	(1,130)
9.5 Administration and corporate costs	(360)
9.6 Other (Administrator Costs)	(135)
9.7 Total estimated cash outflows	(1,885)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EPM 25711		0%	100%

