

5th September 2017

ASX/MEDIA RELEASE

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

CONSOLIDATED
TIN MINES LIMITED



COMPANY UPDATE ON BAAL GAMMON LEGAL CLAIM

Consolidated Tin Mines Limited (ACN 126 634 606) (ASX Code: CSD) (Company) is pleased to provide the following update in relation to Baal Gammon Copper Pty Ltd (BGC).

- **BGC's legal claim against the Company has been dismissed and BGC required to pay costs**
- **\$1.8m payable to BGC under settlement agreement paid in full**

CSD Joint Chairman and Managing Director, Ralph De Lacey said:

"Although the claim by BGC has always been seen by the Directors as opportunistic and vexatious, it has been a distraction requiring added resources and energy by the Directors to robustly defend any legal proceedings brought against the Company.

The claim against the Company and associated companies has been dismissed in the Supreme Court of Queensland.

The Company understands that separate proceedings between BGC and the Trustees remain outstanding. These proceedings are outside the Company's control and will be resolved between the Trustees and BGC."

As previously announced to the market, BGC initiated legal action in the Supreme Court of Queensland on 19 May 2017 against Mr Blair Pleash & Ms Kathleen Vouris (the former voluntary administrators of the Company and the trustees of the creditors trust) (Trustees), the Company, Snow Peak Mining Pty Ltd (SPM) and Cyan Stone Pty Ltd (Cyan Stone) seeking orders, including, that the Deed of Company Arrangement be terminated and the Company and SPM be placed into liquidation.

The Company, SPM and Cyan subsequently filed and served a joint application seeking security for its costs in relation to these proceedings. This application was granted by the Court with BGC required to lodge the security by 2 September 2017, the Court also provided orders that if the security was not paid by the due date the entire proceedings be dismissed.

As BGC failed to provide security in accordance with the courts orders, the proceedings against the Company, SPM and Cyan Stone have been dismissed and BGC will be required to pay costs.

As announced to the market on 3 March 2017, the Company, the Company's wholly owned subsidiary Colinacobre Pty Ltd (Colinacobre) and SPM entered into a settlement agreement with BGC whereby the Company, Colinacobre and SPM agreed to relinquish their rights under a Mineral Rights

Agreement, and BGC agreed to assume responsibility and liability (including any environmental liabilities) for, and in respect of, the Baal Gammon Project including the assumption of all obligations under a Clean-Up Notice issued on 20 November 2015.

Under the settlement agreement, the Company agreed to pay BGC an amount of \$1,800,000 and to transfer the financial assurances held with respect to the Baal Gammon Mine to BGC. The final instalment of the \$1.8m payable was paid to BGC on 31 August 2017.

For further information, please contact:
Cairns Corporate Headquarters
Phone: +61 (0) 7 4032 3319
Website: www.csdtin.com.au
Email: admin@csdtin.com.au

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.