

1 August 2018

ASX/MEDIA RELEASE

ASX: CSD Share Price: \$0.25 (in suspension)

ABN: 57 126 634 606

JUNE 2018 QUARTER ACTIVITIES REPORT

QUARTERLY ACTIVITIES OVERVIEW

- ❖ Refurbishment of the Dry River South (DRS) decline was completed mid-April 2018 and was immediately followed by commencement of mining activities in the upper production zones of DRS. DRS is located 180km south of Mt Garnet at the Surveyor Mine.
- ❖ Construction of the Mt Garnet Deeps development drive continued during the quarter.
- ❖ Two processing campaigns were performed at the Mt Garnet Mill during the quarter during May and June. Mill operations were suspended at the end of June awaiting delivery of additional ore from DRS.
- ❖ Exploration drilling programs at Surveyor and Einasleigh continued during the quarter.
- ❖ Mineral resource review of Chloe & Jackson deposits completed.

SUBSEQUENT TO QUARTER END

- ❖ An additional processing campaign was performed in July 2018.
- ❖ Mt Garnet Mill will continue to perform separate processing campaigns as mining operations ramp up.
- ❖ Mineral resource review of Kaiser Bill deposit completed.

OPERATIONS

Mining of the remaining remnant ore in the upper levels of the Mount Garnet underground mine continued during the quarter.

Construction of the Mt Garnet Deeps development drive to access the Mt Garnet Deeps ore body continued throughout the quarter and will continue in the September 2018 quarter. Development ore from this project will supplement production from DRS during the September 2018 quarter.

Refurbishment of the DRS decline reached the upper level ore in April 2018 with mining activities commencing shortly after. Haulage of ore from the DRS mine to the Mt Garnet plant commenced in June 2018.

The Mount Garnet Mill performed two processing campaigns during the quarter in May and June. The mill will continue to perform separate campaigns as mining operations ramp up at the DRS mine.

Concentrate stockpiled during the March quarter and the majority of concentrate produced during the June quarter has been sold to CSD's offtake partner. The small stockpile remaining at the close of quarter was sold during the September quarter.

Base Metal Production

	June 2018 quarter (3 months)	Year to Date (12 months)
Ore processed	24,115 <i>tonnes</i>	111,348 <i>tonnes</i>
Mill feed grade Zn	6.18 %	3.57 %
Mill feed grade Cu	0.56 %	0.39 %
Zn recovery	80.4 %	78.5 %
Cu recovery	28.5 %	57.9 %
Zn metal produced in concentrate	1,199 <i>tonnes</i>	3,140 <i>tonnes</i>
Cu metal produced in concentrate	38 <i>tonnes</i>	235 <i>tonnes</i>

EXPLORATION

Drilling at Surveyor continued during the quarter continued with two rigs operating at Balcooma and Dry River South. Drilling at the Einasleigh Project commenced in mid-April with focused infill drilling within the Kaiser Bill proposed pit shell.

The Company announced a Mineral Resource review of the Chloe and Jackson deposits had been completed by Mining Associates that resulted in a combined JORC 2012 Indicated and Inferred Mineral Resource of 8Mt @ 3.93% Zn (314,900t Zn); 1.52% Pb (121,700t Pb); 0.18% Cu (14,200t Cu) & 35.6g/t Ag (9.48 M Oz Ag) (ASX Announcement 18th June 2018).

The Company announced a Mineral Resource review of the Kaiser Bill deposit had been completed by Mining Associates that resulted in a total JORC 2012 Indicated and Inferred Mineral Resource of 18.39 Mt @ 0.83% Cu for 152,000 tonnes of copper above 0.5% Cu cut-off (ASX Announcement 26 July 2018).

CORPORATE

The Notice of Meeting (NoM), including an Independent Experts Report, for the Extraordinary General Meeting (EGM) was sent out to shareholders and lodged with the ASX on 28 March 2018. The EGM was held on 30 April 2018 and shareholders approved all resolutions detailed in the NoM, please refer to ASX announcement dated 30 April 2018.

Pursuant to resolutions 1 to 15 and resolution 17 passed at the EGM, the Company completed a 10 to 1 share consolidation on 7 May 2018 and issued shares for the Cyan Stone Pty Ltd (Cyan) subscription and debt to equity conversions on 14 May 2018.

During the quarter, the Company commenced a private placement pursuant to resolution 18 approved at the EGM to raise \$12m.

The Directors will keep shareholders informed of any developments relating to the reinstatement to trading on the ASX through the issue of further Company announcements as soon as further information becomes available.

CASH RESERVES & LOAN FACILITIES

The Company had \$332,117 in cash reserves at the end of the June 2018 quarter.

As reported in the March 2018 Quarterly Activities Report, Cyan Stone Pty Ltd (Cyan) agreed to provide the Company with two loan facilities totalling \$30m.

During the quarter the operating loan facility was increased to from \$20m to \$25m bringing the total of the loan facilities to \$35m (refer to 31 December 2017 half year report for additional details of these facilities).

For further information, please contact:

Cairns Corporate Headquarters

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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 2018

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%	0%	Expired
	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 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 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	EPMA 26453	Lynd Regional	0%	0%	Application
	EPMA 26910	Tate Lynd	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 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 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	Caterpillar	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
	MLA 100177	Stockman	0%	0%	Application	CSD
	MLA 100178	Jackaroo	0%	0%	Application	CSD
	MLA 100179	Ringer	0%	0%	Application	CSD
	MLA 100180	Bel	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 Ltd

ABN

57 126 634 606

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter	Year to date (12 months)
	\$'000	\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,001	9,398
1.2 Payments for		
(a) mining & processing	(1,516)	(11,104)
(b) staff costs	(3,236)	(14,037)
(c) administration and corporate costs	(342)	(7,971)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(34)	(75)
1.6 Income taxes paid	-	-
1.7 Net cash from / (used in) operating activities	(127)	(23,789)
2. Cash flows from investing activities		
2.1 Payments to acquire / for:		
(a) exploration & evaluation	(1,611)	(7,243)
(b) property, plant and equipment	(2,599)	(3,375)
(c) mine development	(2,879)	(7,629)
(d) tenements (see item 10)	-	-
(e) other non-current assets	-	-

+ See chapter 19 for defined terms

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$'000	\$'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Disposal of Baal Gammon rehab obligations	-	(400)
2.6	Other - bonds	(2)	(345)
2.7	Net cash from / (used in) investing activities	(7,091)	(18,993)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,680	1,680
3.2	Proceeds from borrowings	5,045	41,717
3.3	Repayment of borrowings	(571)	(1,061)
3.4	Dividends paid	-	-
3.5	Other (provide details if material)	-	-
3.6	Net cash from / (used in) financing activities	6,154	42,335
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,397	779
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(127)	(23,789)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7,091)	(18,993)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,154	42,335
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	332	332

+ See chapter 19 for defined terms

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 \$'000	Previous quarter \$'000
5.1 Bank balances	332	1,397
5.2 Call deposits	-	-
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)	332	1,397

6. Payments to directors of the entity and their associates

- 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

Current quarter \$'000
143
-

- (i) \$123k – remuneration paid to Directors and associates of the Directors
- (ii) \$12k – paid to ARM (NQ) Pty Ltd, an entity associated with Messers Ralph De Lacey, Martin Cai and Alex Tsoi for rent on the Mt Garnet residential properties
- (iii) \$7k - occupancy costs paid to NQ Mining Enterprises Pty Ltd, an entity associated with Mr Ralph De Lacey

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

- 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

Current quarter \$'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
8.1 Loan facilities	35,250,000	\$31,510,000
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.		

Cyan Stone Pty Ltd (Cyan) provided the Company with 2 loan facilities whereby individual drawdowns are separately agreed:

- \$10m commencing September 2017 for a 3-year period, fully drawn at quarter end; and
 - \$25m commencing November 2017 for a 2-year period, remaining facility \$3.74m at quarter end.
- These loans incur interest at 6% p.a. and are secured by a floating charge over all of the Group's assets.

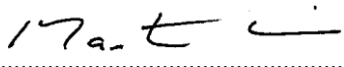
Ralph De Lacey provided the Company with a short term loan facility of \$250,000 in June 2018. This loan facility incurs interest at 0.4% per month (effectively 4.8% p.a.) and has a term of 1 month. The loan has subsequently been repaid in July 2018.

9. Estimated cash outflows for next quarter	\$'000
9.1 Exploration and evaluation	-
9.2 Development	(2,118)
9.3 Mining & processing	(5,124)
9.4 Property, plant & equipment	(1,432)
9.5 Bonds	-
9.6 Staff costs	(4,453)
9.7 Administration and corporate costs	(1,515)
9.8 Other (provide details if material)	-
9.9 Total estimated cash outflows	(14,641)

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	MDL 448 Herberton Deep Lead	Expired	100%	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
 (Company secretary)

Date: 31 July 2018

Print name: Ze Huang Cai (Martin)

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.