



17 July, 2015

## Tin in the News

LME Tin recovered to \$14,800 on Thursday following a dip beneath \$14,000 late last week. This weeks news details a report published on Conflict-Free mining in Central Africa, preliminary H1 production and a profit warning at the Renison mine and results of drilling and processing testwork at the Bisie and Mt Garnet tin projects in Africa and Australia.

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## Pact report sheds new light on Conflict-Free mining in Africa's Great Lakes

**15 July** Pact have released a report providing an in-depth look at traceability and due diligence, as well as on-the-ground progress and challenges for conflict-free minerals in the DRC, Rwanda and Burundi. The report, *Unconflicted: Making Conflict-free Mining a Reality in the DRC, Rwanda and Burundi*, which can be found [here](#), calls for continued dedication and effort from local governments, mineral traders and corporations in order to maintain progress.

Throughout Africa's Great Lakes region, the international community has closely watched, and regulated, the extraction and sale of conflict minerals – tin, tungsten tantalum (3Ts) and gold – in the hopes of curtailing ongoing violence. In 2010, Pact, an international development nonprofit, along with regional governments, companies and other partners, began implementing the joint industry traceability and due diligence system iTSCi. Today, the system includes more than 1,300 mine sites, of which close to 850 are currently active and supporting at least 80,000 miners.



## Chinese shareholder reports rising H1 production and likely loss at Renison

**14 July** In a series of announcements to the Hong Kong Stock Exchange, L'Sea Resources International reported an increase in first half production at its 41% owned Renison tin mine in Tasmania but also issued a profit warning.

Based on un-audited figures, June production of tin-in-concentrates was reported at 534 tonnes (up 7.4% year-on-year), with first half production at 3,282 tonnes (up 6.0% y-o-y). L'Sea's stake in

the mine is through its 82% share in YT Parksong Australia Holdings, which owns 50% of the joint-venture part-owned and managed by Metals X.

In a statement published on Friday L'Sea said the group "is expected to record a significant increase in net loss for the six months ended 30 June 2015 as compared to the corresponding period in 2014", which it attributed to the likely need to write down asset values as well as lower operating revenues due to the recent slump in tin prices. The company, which had a net loss of 32.4 million Hong Kong dollars (US\$4.2 million) for the six months ended June 2014, will post audited results in August.

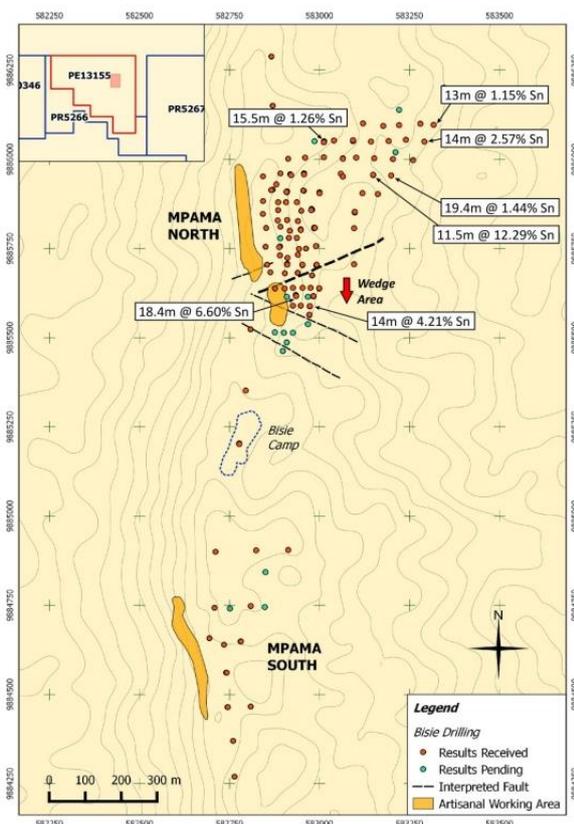
**ITRI View:** More details of the mine's operating performance also will be published by Metals X in due course. The Renison operation has been on a steady upward trend in terms of operating efficiency, but cash flow will be adversely affected by the recent slump in prices, despite some offset provided by Australian dollar weakness. Possible changes in L'Sea's profitability are not necessarily indicative of MLX's financial position, as the two companies may have different corporate costs and valuations of their tin assets. Furthermore MLX now derives most of its earnings from its gold mines.

## Drilling at Bisie continues to show promise

**17 July** Canadian listed Alphamin Resources Corp (AFM: TSXV) has reported positive results from infill drilling at its Mpama North prospect and drilling of the company's new discovery, The Wedge, both part of its Bisie Tin Project in DR Congo.

Ten additional drill holes in The Wedge area to the south east of Mpama North have returned significant tin mineralisation including 18.4 metres at 6.6% Sn from 122.6 metres depth. An updated Mineral Resource Estimate is planned for early in Q3 and will consider mineralisation identified in The Wedge.

Drilling at Mpama South has been paused to speed up the progress of deep infill drilling at Mpama North which aims to upgrade the existing Inferred Mineral Resource to the Indicated category and to extend the resource down to 500m below the 50m zone depleted by past artisanal mine production. Results of deep infill drilling so far at Mpama North include 11.5m at 12.29% Sn from 304 metres.



## Consolidated tin report positive progress on tin fuming testwork

**17 July** Consolidated Tin Mines Ltd. (ASX:CSD) has announced continued improvements to tin recoveries and residence times from testing of ore at a tin fuming test facility commissioned at the site of its Mount Garnet Tin Project in May 2015.

Recent results at the Mt Garnet lab are exceeding the 80% tin recovery targeted for the DFS and suggest that recoveries of 90% are achievable. The labwork precedes pilot scale tests at the FECCO International test facility in Green Bay, Wisconsin, USA, which is necessary for the

completion of the DFS. Fifteen tonnes of ore from the Gillian deposit at Mount Garnet arrived at the facility in May and will be tested in order to optimise parameters for processing at production scale. The work at FEECO is being delayed until recoveries and residence times have been optimised at the Mt Garnet lab and as a result, finalisation of the DFS is now expected in late 2015.

The company has been producing zinc, copper and lead from mine assets purchased earlier this year also situated at Mt. Garnet. The company is now implementing its 2015-2016 operating plan and budget which will see a change in mining production to mostly focus on the Mount Garnet underground mine. However, bringing the Mount Garnet Tin Project to production remains the company's primary long term goal.

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