



ASX Announcement

Aus Tin Mining Limited (ASX:ANW)

16 July 2019

Operations and Development Update

Highlights:

- **Mining & civil contractor appointed for initial mining at Taronga Stage 1.**
- **Mobile crushing plant purchased for Granville Tin Mine.**

The Directors of Aus Tin Mining Limited (the **Company**) are pleased to provide the following operations and development update in respect of its Taronga and Granville tin projects.

Taronga Stage 1 Project

The Company has appointed Townes Contracting to undertake an initial program of mining, crushing and civil works associated the Taronga Stage 1 Project. The contract, anticipated to take three months, provides for site establishment, initial mining of approximately 50,000 tonnes of ore and waste (refer **Figure 1**), crushing of ore and the construction of an 8ML water dam. Townes Contracting are based in Tenterfield (NSW) and have significant experience with quarrying and crushing operations, and with the construction of tailings dams for mining projects. Townes Contracting own all the equipment proposed to be utilised for the contract.

The initial program of work will provide several important outcomes including a provisional metal reconciliation, with the average grade of ore mined to be compared with the respective mining blocks estimated in the 2014 Probable Ore Reserve¹. The initial program of work will also provide contractor productivity and cost data that may be used to optimise pricing for the remainder of the Stage 1 Project, and material for additional metallurgical test work planned prior to the commencement of Stage 1 pilot plant operations. Significantly, the initial program of work of mining and crushing only will reduce water demand at a time when northern NSW is experiencing severe drought conditions.

The remainder of the Stage 1 Project, including the expanded mine and pilot plant operations are targeted to commence late 2019, and it is intended the Stage 1 Project will provide the opportunity to evaluate potential upside on feed grade and tin recovery. However, the results of the above-mentioned provisional metal reconciliation and metallurgical test work may provide early results that could be used to accelerate elements of the next stage feasibility work.

As the initial plan of works will substantially reduce the footprint of disturbance, the Company has sought a reduction in the amount of environmental bonding to be lodged with the Department of Planning & Environment, and it is anticipated a decision on the application will be made within 30 days.

¹ Refer ASX Announcement dated 7th April 2014

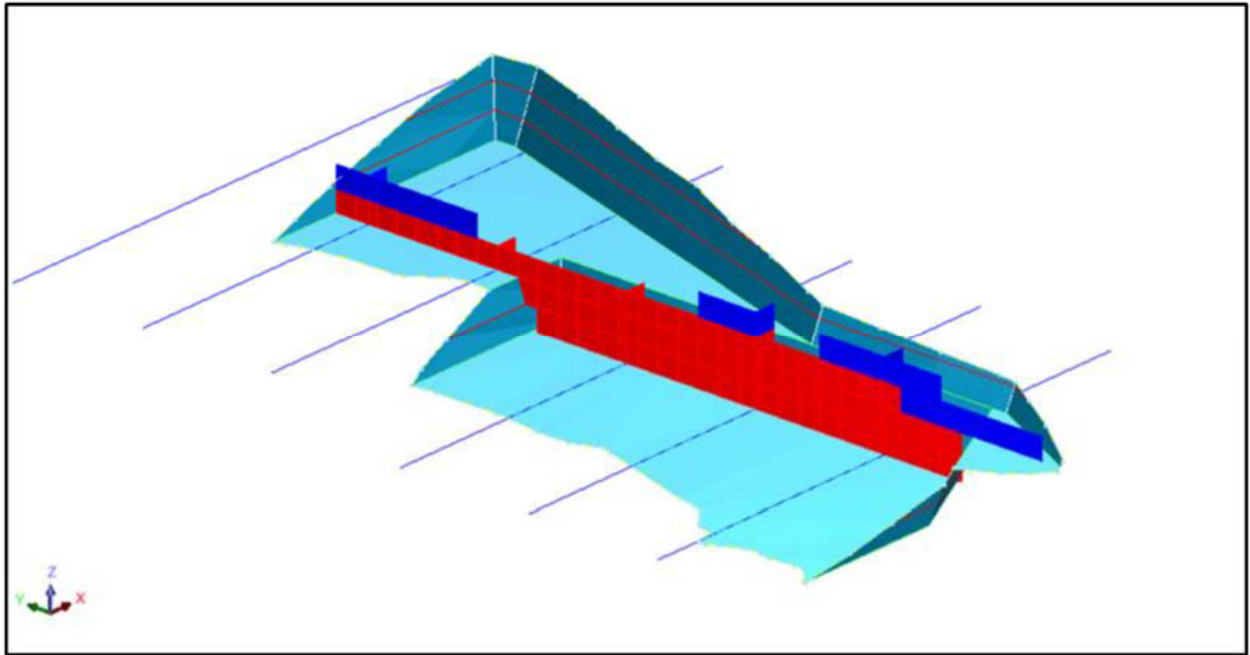


Figure 1: Long section of initial 50,000 tonne pit at Taronga Stage 1 (red blocks are ore / dark-blue blocks are waste)

Granville Tin Mine

Notwithstanding a crushing trial was successfully completed with a preferred contractor in May, the Company was unable to secure their services in a timeframe consistent with operational requirements, and hence the Company has taken the decision to acquire its own crushing plant. An initial payment has been made on a second-hand mobile crushing plant located in Tasmania, and refurbishment of the unit has commenced. The refurbishment is expected to take three to four weeks, after which the unit will be relocated to the mine. The key benefits of owner crushing will be a lower operating cost and ability to crush ore on an on-going basis rather than the campaign basis required for contractors. In the interim, the Company has continued to process sorted skarn material from the Granville East Mine, stockpiled scats and hanging wall shale. During the June quarter a total of 461 tonnes of material was processed to produce six tonnes of pre-concentrate that is being dressed to final concentrate specifications.

As the operation at Granville will no longer be reliant on any contracted works, the Company took the opportunity to undertake a strategic review of the operation, resulting in a decision to focus on higher mine grade and increased plant recovery, albeit it at a lower plant throughput (which won't be fully assessed until the refurbished crusher is operational). Revised forecast production and cost data will be released once the new production KPIs are fully implemented. In relation to the changes, Chief Executive Officer, Peter Williams said *"now that we are no longer constrained in any way by contractors at Granville we have decided to take a different approach to the operation and believe this will provide the optimal means to exploit this small but high grade tin deposit. The delays in getting to this point are regrettable but we are looking forward, and anticipate Granville becoming a key contributor to the Company's success."*

On behalf of the Board
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Electronic copies and more information are available on the Company website: www.austinmining.com.au

Company Twitter account: [@AusTin_Mining](https://twitter.com/AusTin_Mining)

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About Aus Tin Mining (the Company)

Aus Tin Mining Limited (ASX: ANW) has a vision to become a major Australian tin producer. The Company has recommenced production at the high-grade Granville Tin Project located north of Zeehan (TAS) and the Company intends to expand the Granville Tin Project and undertake exploration to extend the Life of Mine. The Company is also developing the world class Taronga Tin Project located near Emmaville (NSW). The Company defined and announced its maiden JORC compliant resource for the Taronga Tin Project in late 2013 and test work and exploration activities on site have revealed potential credits for copper, silver, tungsten, molybdenum, lithium and rubidium. Highly prospective regional targets have also been established within the Company's broader tenement footprint, and within trucking distance of the proposed processing site at Taronga. In May 2019 the Company received final regulatory approvals for the first stage of development at Taronga for a trial mine and pilot plant.

The Company is also actively exploring for cobalt at its Mt Cobalt project west of Gympie (QLD). Recent drilling has returned high grades for an enriched cobalt-manganese oxide zone. In addition, the Company is exploring an approximately 4km arc along the contact with the Black Snake Porphyry which is prospective for cobalt, nickel, copper and gold.

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This announcement may contain certain statements and projections provided by or on behalf of Aus Tin Mining Limited (Aus Tin Mining) with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Aus Tin Mining. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of Aus Tin Mining which could cause actual results or trends to differ materially, including but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, native title and aboriginal heritage issues, dependence on key personnel, share price volatility, approvals and cost estimates. Accordingly, there can be no assurance that such statements and projections will be realised. Aus Tin Mining makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

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COMPETENT PERSON STATEMENT

The information in this presentation that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of Aus Tin Mining. Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

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