ASX Announcement

Aus Tin Mining Limited (ASX: ANW)

7 October 2015

Excellent Test Work Results at Taronga Tin Project Highlight Value Upside

Highlights

- **Metallurgical test work completed on fresh drill samples from the Taronga Tin Project has yielded a higher grade tin concentrate (64.7%Sn) and higher overall recovery (75.7%) compared with values adopted for the Pre-Feasibility Study.**
- **The drill result highlight the potential tin grade upside at the Taronga tin Project with a positive reconciliation of up to 52 percent above the resource block model grades.**

The Directors of Aus Tin Mining Limited (the Company) are pleased to announce the excellent results obtained from the Company's most recent drilling and metallurgical test work for the Taronga Tin Project. The results included concentrate grade and tin recoveries above those adopted for the 2014 Pre-Feasibility Study, a strongly positive reconciliation compared with the resource block model grades. Either of these results has the potential to substantially increase the value of the Taronga Tin Project.

A program of metallurgical test work incorporating gravity and flotation test was completed by ALS Metallurgy (Burnie) on fresh Reverse Circulation (RC) drill sample obtained from within the Northern Zone. Results of the metallurgical test work are summarised in Table 1 and compared with values adopted for the 2014 Pre-Feasibility Study (PFS).

Concentrate Grade (%Sn)		Overall Recovery (%Sn)	
Sep 2015 Test Work	April 2014 PFS	Sep 2015 Test Work	Apr 2014 PFS
64.7	55.0	75.7	70.0

Table 1 – Summary Results of Metallurgical Test Work for Taronga Ore

The improved concentrate grade is attributed to an expanded suite of flotation test results to include the flotation of silicates. Previous metallurgical test work focussed on the flotation of sulphides only, however, recent mineralogical work identified topaz (an aluminium and fluorine silicate) as a diluent in the tin concentrate. The recovery of topaz to a separate concentrate may also provide an opportunity for an additional by-product credit and will be pursued in conjunction with the Stage 1 Development. The improved tin recovery may be attributed to the use of Mozely concentrators and as reported previously, improvements in tin recovery at Taronga were expected through the employment of more efficient gravity concentration. The improved recovery may also be attributed to the higher head grade (see below). **Adopting the most recent metallurgical results to the 2014 Pre-Feasibility Study Base Case has the impact of increasing $NPV_{(8\%)}$ from AU$63.15M to AU$100.07M.**

RC drill hole ATM001 (from which the metallurgical sample was obtained) was located within the Northern Zone Ore Reserve but outside of the proposed Stage 1 open pit. The head grade of the metallurgical sample was 0.26 %Sn (Table 2) and was 52 percent above the calculated grade from the 2013 Resource Model of 0.17%Sn. Comparing the results of the four drill composite samples (Table 3) with the 2013 Resource Model (Table 4) of note is the higher grade for the interval 0-10m of 0.37 %Sn compared to the nearest block estimated grade of 0.17%Sn, a positive reconciliation of 115 percent. The positive reconciliation for ATM001 highlights the potential for the plant feed grade to be higher than the resource grade, attributable to the sample size / grade variation or Support Effect. **As previously reported[1], increasing the plant feed by 20 percent in the PFS Base Case has the impact of increasing $NPV_{(8\%)}$ from AU$63.15M to AU$145.71M.**

The positive reconciliation for interval 0-10m may provide the opportunity to modify the Stage 1 open pit design to increase ore production and/or reduce operating costs. RC drill hole ATM001 was located just outside the proposed Stage 1 pit to target the average Northern Zone resource grade. However, given the first 10m interval (0.37%Sn) is higher than the average grade of the Stage 1 pit (0.24%Sn) the opportunity exists to incorporate this zone into the proposed pit for increased ore production and/or reduce the quantity of lower grade ore being treated or reducing the overall depth of the pit.

On behalf of the Board
KM Schlobohm
Company Secretary

[1] Refer ASX announcement released 7th April 2014

Competent Persons Statement

The information in this presentation that relates to 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.

The information in this Announcement that relates to Mineral Resources is based on information extracted from the report entitled "Maiden JORC Resource Estimated for the Taronga Tin Project" created on 26th August 2013 and is available to view on www.austinmining.com.au Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In the information in this Announcement that relates to Ore Reserves is based on information extracted from the report entitled "Pre-Feasibility Advances the Taronga Tin Project" created on 7th April 2014 and is available to view on www.austinmining.com.au. Aus Tin Mining confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Email: info@austinmining.com.au

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

For further information contact:

Peter Williams
CEO, Aus Tin Mining Limited
Ph: 07 3303 0604

Karl Schlobohm
Company Secretary, Aus Tin Mining Limited
Ph: 07 3303 0661

Hole Number	CO-ORDINATES			Azimuth (mag)	Declination	Total Depth (m)	Interval			XRF 15b	Comments
	MGA_Easting	MGA_Northing	RL_m				from (m)	to (m)	Interval (m)	% Sn	
ATM001	359562E	6748329N	962	65	-80	40	0	40	40	0.26	Metallurgical Head Grade

Table 2 – Metallurgical Head Grade for ATM001 Reverse Circulation (RC) hole at Taronga.

Hole Number	CO-ORDINATES			Azimuth (mag)	Declination	Total Depth (m)	Interval			XRF 15b	MS61	
	MGA_Easting	MGA_Northing	RL_m				from (m)	to (m)	Interval (m)	% Sn	Ag (ppm)	Cu (ppm)
ATM001	359562E	6748329N	962	65	-80	40	0	10	10	0.369	5.31	187
							11	20	10	0.175	3.57	1030
							21	30	10	0.087	2.78	706
							31	40	10	0.088	3.36	861

Table 3 – Drill hole details and assay results for ATM001 Reverse Circulation (RC) hole at Taronga. Complete assays are reported.

	ATM001 (RC)	2013 Resource Model	Reconciliation
Interval (m)	%Sn	%Sn (average)	%
0 – 10m	0.37	0.17	+ 115%
11 – 20m	0.18	0.21	-14%
21 – 30m	0.09	0.15	-40%
31 – 40m	0.09	0.13	-30%
Overall	0.18	0.17	+6%

Table 4: Results of ATM001 compared with 2013 Mineral Resource Block Model

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Based on one reverse circulation percussion samples obtained by drilling holes into mineralised structure. Samples were taken by the insertion of a spear into bulk bags representing 1 metre drill intervals. • The tubular spear is inserted diagonally through the drill sample sack and entirely filled. It is cleaned between each sample. Riffle splitting was considered to be inferior in this circumstance and location. • Samples were composited in 10m intervals for an average weight of 16.3kg and were submitted for analyses. The remaining samples has been retained. • The resultant 4 composited 14-17 kg samples were packaged and sealed prior to dispatch to the ALS laboratory. Samples were assayed for multi element analysis using ICP (ALS ICP61) and oxidising fusion with XRF finish (ALS XRF15b).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse circulation hole was drilled at a declination of 80 degrees. Ground conditions were described as competent and no ground water was encountered.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The metreages were recorded on drill sample bags during drilling, and notes regarding any poor recoveries were simultaneously made in the drill logs. • Recoveries were all high > 85% within the intervals selected for assay. The assay samples were given a specific number from a sample book, with written and digital records of the intervals represented. • No relationship exists between grades and recoveries.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The core and chip samples have been geologically logged, but there are no geotechnical logs.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Logging is both qualitative and quantitative. • The log intervals are based on the 1 metre drill sample intervals. • All drill metreages were logged. • The samples were dry given the absence of ground water. • The tin mineralisation consists of seams and disseminations and therefore there is a limited nugget effect within the discrete mineralisation structures. This is overcome by taking large samples and by repeat sampling of economic grades.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• XRF15B, an oxidising fusion with XRF finish (range 0.005 to 20% Sn) is a suitable method for determining certain elements that are not easily solubilised by acid digestion techniques. The analysis technique is expected to near total for Sn. • No duplicate samples were submitted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification of significant intersections has not been undertaken to this time. The drill logs were prepared by the site supervising geologist and have subsequently reviewed by the Company's senior geologist. • No twinned holes • Paper records were kept in sample books and drill logs, and were verifiable during sample drying. • Digital data will be checked against paper records and has been stored in

Criteria	JORC Code explanation	Commentary
		two different widely separated hard drives.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collars were located by hand held GPS with 3m lateral inaccuracy levels, and were supported by tape measures traverses which were used for more accurate vertical measurements. • The grid system is GDA 95 zone 56. • The accuracy is adequate for collection of metallurgical sample.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The purpose of the drilling was for the collection of metallurgical sample and is not intended to be used for resource calculation purposes. • Samples were taken representing 1 metre drill intervals were composited into 10m intervals.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The purpose of the drilling was for the collection of metallurgical sample and is not intended to be used for sampling of possible structures.
Sample security	• *The measures taken to ensure sample security.*	• The samples were obtained and immediately processed on a secure private site with personnel present.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral	• *Type, reference name/number, location and ownership including*	• The drill hole was located entirely within EL 7348 owned 100% by Aus Tin

Criteria	JORC Code explanation	Commentary
tenement and land tenure status	*agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Mining on freehold lands owned by Aus Tin Mining. • Submission of a Mining Operations Plan is pending for the Stage 1 Development.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous work was done and reported by Newmont.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation is classified as a sheeted vein mineralised system hosting tin, copper, silver and other metals. The better grades are expected to be controlled by discrete structures.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	<table><tr><th rowspan="2">Hole Number</th><th colspan="3">CO-ORDINATES</th><th rowspan="2">Azimuth (mag)</th><th rowspan="2">Declination</th><th rowspan="2">Total Depth (m)</th></tr><tr><th>MGA_Easting</th><th>MGA_Northing</th><th>RL_m</th></tr><tr><td>ATM001</td><td>359562E</td><td>6748329N</td><td>962</td><td>65</td><td>-80</td><td>40</td></tr></table>
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should*	• Nil cutting of high grade applied

Criteria	JORC Code explanation	Commentary
	be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The purpose of the drilling was for the collection of metallurgical sample and is not intended to be used for sampling of possible structures.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	•
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All Sn, Ag, Cu & Rb grades reported
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Not applicable
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Aus Tin Mining intend to proceed with the Stage 1 Development of the Taronga Tin Project as previously reported.