



## ASX Announcement

### Aus Tin Mining Limited (ASX:ANW)

21 December 2016

## Operations Update for Granville and Taronga Tin Projects

### Highlights

- Continued optimisation of Level 1 operations at Granville Tin Project and initial shipment being finalised. Development Application for Level 2 operations (Granville Expansion) pending submission to the West Coast Council
- Development Application for Taronga Stage 1 Project being finalised for submission in early 2017
- Australian dollar tin price at highest levels since 2011

The Directors of Aus Tin Mining Limited (the **Company**) are pleased to provide an update on operational activities for both the Granville and Taronga Tin Projects.

### **Granville Tin Project**

Since recommencing tin production in August 2016, the Company has continued to optimise the Level 1 operations and progress the approvals process for the expanded Level 2 operations (Granville Expansion). Level 1 operations have to date largely comprised the retreatment of tailings from previous operators with tailings assaying approximately 1%Sn being processed to produce a clean tin concentrate assaying up to 65%Sn. An initial parcel of tin concentrate is currently being finalised for dispatch to an Australian buyer through arrangements with Traxys. Earlier feed throughput constraints have largely been resolved with the installation of a new trommel and tin recovery has been improved with the installation of additional gravity spirals. Further modifications are being undertaken to improve the recovery of magnetite and reduce iron levels in the tin concentrate. Most recently the Company has commenced the treatment of Run of Mine (**ROM**) ore from existing stockpiles generated by previous operators, with ROM ore containing significantly more coarse tin compared to the tailings material. Capital works proposed for the Granville Expansion, including the installation of a new gravity circuit (jigs) and expansion of the flotation circuit are being accelerated to optimise the treatment and recovery of coarse tin from ROM ore. As a consequence the previous production forecast for the December 2016 quarter will be deferred until the March 2017 quarter.

Contemporaneously the Company is progressing approvals for the Granville Expansion which incorporates a resumption of mining of ROM from the open cut pit and an increase in concentrate production rate to an equivalent 550 tonnes of contained tin per annum. The Development Proposal and Environmental Management Plan (**DEMP**) has been submitted to EPA Tasmania and lodgement of the Development Application to the West Coast Council is pending. The approvals process is subject to a statutory timetable but the Company is aiming to receive all necessary during the March 2017 quarter.

## Taronga Tin Project

The Company is finalising the Environmental Impact Statement (EIS) for the Taronga Stage 1 Project having now received all external consultant reports. Last week the Company presented to the Significant Development Committee for the Glen Innes Severn Council (GISC) in preparation for submission of the Development Application in early 2017. As a designated development with a capital cost below \$20M, the consent authority for the Stage 1 Project will be the GISC with general terms of approval provided by the Environmental Protection Authority.

The Taronga Stage 1 Project will comprise a trial open cut mine and pilot processing plant. A total 340,000 tonnes of ore at 0.23%Sn plus approximately 75,000 tonnes of waste will be mined from within the Northern Zone Ore Reserves (JORC 2012). Ore will be processed at site employing equipment similar to that utilised at the Granville Tin Project (crushing, gravity, flotation) to produce a saleable tin concentrate.

The capital cost for the Stage 1 Project is estimated at \$2.5M primarily for the pilot processing plant and infrastructure for the management of waste materials. The entire Stage 1 Project will be contained within a proposed 96ha Mining Lease (red outline on Figure 1) that is wholly contained within freehold property owned by the Company. The Taronga Stage 1 Project is expected to operate over an 18 to 24 month period.

The Stage 1 Project has been primarily designed to assess the potential for a positive grade reconciliation that follows drilling conducted in late 2015 for metallurgical test work. The head grade of the metallurgical sample was 0.26%Sn and was 0.09%Sn above the calculated Resource Model grade of 0.17%Sn. As illustrated in a recent independent valuation<sup>1</sup>, for the full scale project contemplated in the 2014 Pre-Feasibility Study, even a modest increase in the feed grade has the potential to significantly increase the value of the Taronga Tin Project. The Stage 1 Project will also enable the Company to evaluate the recovery of by-product credits, including copper and silver to a saleable concentrate.

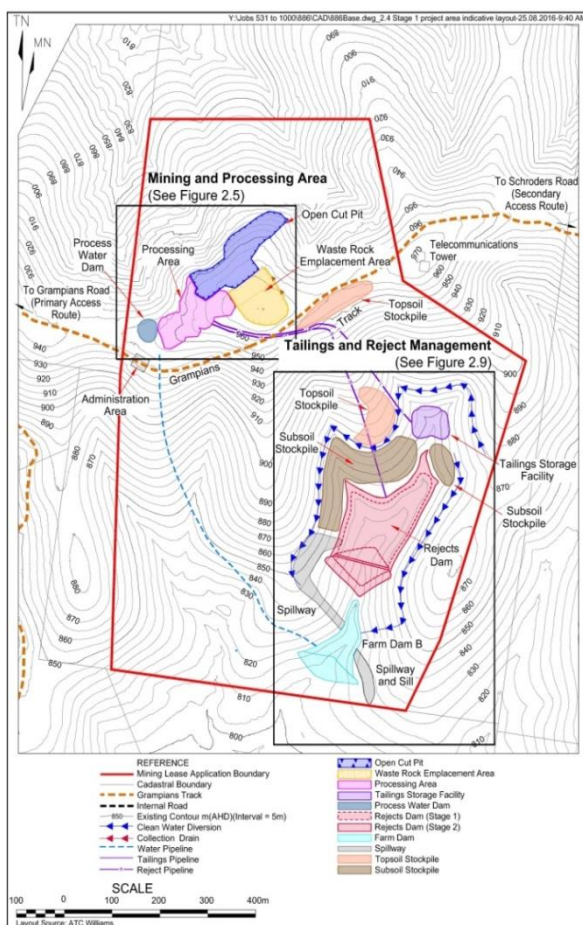


Figure 1 – Site layout for Taronga Stage 1 Project

## Tin price

Since the beginning of 2016 the US dollar tin price has risen strongly (up 47 percent) on the back of declining supply from two of the largest producing countries, Indonesia and Myanmar. Coupled with a depreciating Australian dollar, the current Australian dollar tin price of approximately A\$ 29,300/t is at the highest levels since early 2011, and for comparison, the 2014 Pre-Feasibility Study for the Taronga Tin Project was undertaken at an Australian dollar tin price of A\$27,778/t. ITRI report that modest increases in global tin consumption and declining supply (from Indonesia and Peru in particular) will support higher tin prices out to at least 2020<sup>2</sup>.

<sup>1</sup> Source: MineInvest Valuation Update 19 December 2016; [www.austinmining.com.au/Projects/Taronga](http://www.austinmining.com.au/Projects/Taronga)

<sup>2</sup> Source: ITRI Presentation to Beer & Co Tin Conference, November 2016



On behalf of the Board  
KM Schlobohm  
Company Secretary

Email: [info@austinmining.com.au](mailto:info@austinmining.com.au)

Electronic copies and more information are available on the Company website: [www.austinmining.com.au](http://www.austinmining.com.au)

**For further information contact:**

**Mr. Peter Williams**  
CEO, Aus Tin Mining Limited  
Ph: 07 3303 0611

**Karl Schlobohm**  
Company Secretary, Aus Tin Mining Limited  
Ph: 07 3303 0680

## 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). Subject to regulatory approvals, 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 testwork 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. Plans for a staged development of the Taronga Tin Project are in formation, together with the associated approvals processes.

The Company also maintains an active exploration program. The Company holds a portfolio of exploration licenses prospective for nickel, cobalt and copper (Kilkivan QLD); and tin, copper, silver, tungsten and lithium (Torrington NSW) and nickel (TAS).

### Forward Looking Statement

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.

Additionally, Aus Tin Mining makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by Aus Tin Mining or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, Aus Tin Mining undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Aus Tin Mining Limited.

### 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.

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 26<sup>th</sup> August 2013 and is available to view on [www.austinmining.com.au](http://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 7<sup>th</sup> April 2014 and is available to view on [www.austinmining.com.au](http://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.