



ASX Announcement

AusTin Mining Limited (ASX:ANW)

17 August 2016

Aus Tin Mining Becomes Australia's Second Tin Producer Listed on ASX

Highlights

- Production of tin concentrate commenced at Granville Tin Project
- Tin price improved 25 percent YTD driven by lower global stocks

The Directors of Aus Tin Mining Limited (**the Company**) are pleased to announce that the production of tin concentrate has commenced at the Granville Tin Project in Tasmania, elevating the Company to only the second tin producer listed on the ASX. This milestone occurs against the back drop of an improving tin price (currently US\$18,270/t) and declining global tin stocks. It is anticipated that cash flow from the Granville Tin Project will be employed to advance the Company's suite of projects, including the Taronga Tin Project in NSW and Mt Cobalt in Queensland.

Since completing the acquisition of the Granville Tin Project less than four months ago, the Company has undertaken a program of rectification works and commissioning at the processing plant and commenced the re-treatment of tailings under its existing user rights. The Company has reconfigured the processing circuit and installed new equipment to treat a quantity of tailings grading between 0.8%Sn and 3.3%Sn that has been recovered from the existing tailings storage facility and stockpiled ready for processing. As the production rate is increased additional tailings will be recovered for treatment as required. The Company has previously announced that global trading house Traxys, will purchase all tin concentrate from the Granville Tin Project.

The Company's Chief Executive Officer, Peter Williams said *"the commencement of tin production at Granville (Tin Project) represents a major milestone for the Company, and elevates Aus Tin Mining to Australia's second tin producer listed on the ASX (the other being Metals X).*

The tin price is up 25 percent year to date and we believe the best leverage an investor can have to the increasing tin price is through operating assets. Having now commenced production at Granville, it is our intention to ramp-up production and in due course exploit the high tin grades in the open pit (up to 7m @ 2.65%Sn) generated from our 2015 drilling program.

In addition, it is our intention to progress the development of the world class Taronga Tin Project whilst pursuing an exploration program that could provide high grade supplementary feed and/or extend the Life of Mine from the nine years identified in the 2014 Pre-Feasibility Study."



Figure 1: CEO Peter Williams with sample of initial production from the Granville Tin Project (TAS)

Since the start of 2016, the tin price has risen approximately 25 percent to US\$18,270/t¹, largely driven by declining global production from the major tin producing countries (China, Indonesia and Myanmar) and an 18 percent drop in LME stocks to 4,945¹ tonnes (less than two weeks supply). With increasingly more stringent environmental controls in China impacting refined tin production, coupled with Myanmar mine production transitioning from open cut to underground, LME stocks may drop further in the coming months. During the past 10 years the LME tin price has rallied strongly after LME stocks have fallen below 4,000 tonnes (Figure 2).



Figure 2: 15 Year US\$ tin price and stocks (Jan '02 to Aug '16), source www.westmetall.com

Tin is being increasingly linked to energy storage and generation which will place further pressure on LME stocks. ITRI have reported increased tin demand for lead-acid batteries (now the fourth largest use of tin after solder, chemicals and tin plate) plus potential new applications for tin (including lithium-ion batteries, solar panels and fuel catalysts)².

Aus Tin Mining holds an exciting portfolio of tin projects ranging from early stage exploration to production, and all projects are owned 100 percent by the Company. In addition, the Company maintains an active program of project evaluation for tin projects that support the Company's vision to become a major Australian tin producer.

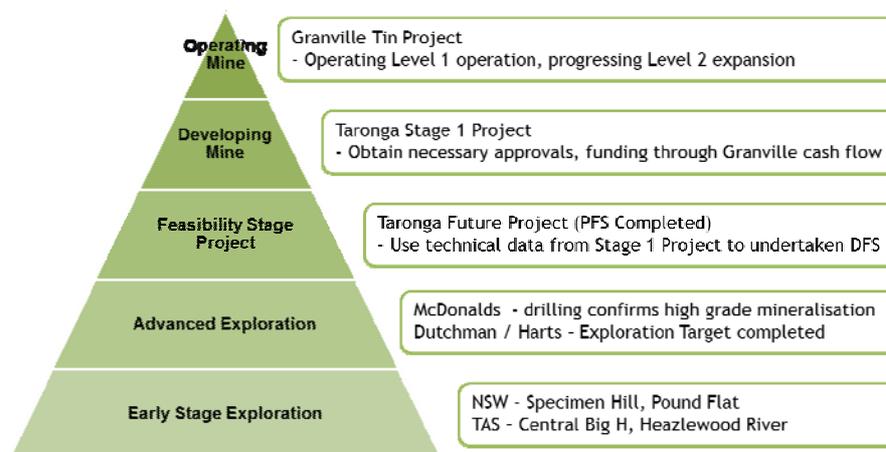


Figure 3: Portfolio of tin assets held by Aus Tin Mining

¹ LME tin price and LME stocks as at 16 August 2016

² Source – ITRI presentation to PDAC, March 2016

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On behalf of the Board
KM Schlobohm
Company Secretary

Email: info@austinmining.com.au

Electronic copies and more information are available on the Company website: 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.

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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.

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.

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