



ASX Release: 30 October 2020

Quarterly Activities Report - Period Ended 30 September 2020

Aus Tin Mining Ltd
(“the Company”)

ASX CODE: ANW

At Time of Publication

Shares on Issue
3,651 million

Unlisted Options
106 million

Market Capitalisation
\$3.6M (at \$0.001/share)

DIRECTORS

Brian Moller (Chairman)
Nick Mather
Richard Willson

CHIEF EXECUTIVE OFFICER

Peter Williams

COMPANY SECRETARY

Karl Schlobohm

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REVIEW OF ACTIVITIES

2020 Strategy

During the quarter the Company released a revised four point plan for improved shareholder value that included leverage to global economic recovery post COVID-19 through exposure to metallurgical coal whilst retaining exposure to minerals for future electrification.

Ashford Coking Coal and Mackenzie Coal Projects

During the last four months the Company executed binding term sheets to acquire the Ashford Coking Coal Project located in northern NSW, and the Mackenzie Coal Project located in Queensland’s Bowen Basin. Both projects have reported JORC resources and metallurgical coal quality.

The Company will seek to finalise both acquisitions before 31 January 2021 and in the interim the Company and respective vendors will continue to progress work on the projects.

Taronga Tin Project / Torrington Exploration Project

During the quarter the Company commenced an internal review to evaluate options for selective mining of higher grade zones within the orebody. The Company has also commenced a program of test work to evaluate the application of High Pressure Grinding Rolls that may facilitate a lower capital cost option for development.

Lachlan Fold Belt

Due to COVID-19 travel restrictions between Queensland and NSW work on the Lachlan Fold Belt project was limited to desktop digitisation of historical data.

Corporate

During the quarter the Company announced a 1:1 entitlement offer to raise up to \$3.0 million. The offer was subsequently extended to accommodate the evaluation and eventual execution of the binding term sheet for the Mackenzie Coal Project and will close at 5pm AEST on Friday 30th October. The Company has been approached by parties wanting to subscribe to shortfall shares, and the Directors of the Company have three months in which to conclude the raising.

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Ashford Coking Coal Project (NSW) and Mackenzie Coal Project (Queensland)

During the quarter the Company executed a binding term sheet to acquire the Ashford Coking Coal Project (**Ashford**) located 50km from the Company's Taronga Tin Project in northern NSW, and subsequent to quarter end, executed a binding term sheet to acquire the Mackenzie Coal Project (**Mackenzie**) located in Queensland's Bowen Basin. Both projects have reported JORC resources and metallurgical coal quality.

As reported previously the Company has agreed with Laneway Resources Ltd (**Laneway**) to acquire its interest in Ashford. Ashford comprises two granted Exploration Licenses (EL 6234, EL 6428) located approximately 10km north of the Ashford township in northern NSW and approximately 100km west of the Inland Rail's proposed route.

Ashford has a resource of 14.8Mt within EL6234 comprising 6.5Mt of Indicated Resources and 8.3Mt of Inferred Resources and coal quality studies found the resources could qualify as semi-hard coking coal¹. Work undertaken by Laneway has indicated of the total resource, 9.4Mt is likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4Mt is expected to be mined via high wall mining methods.

On Friday 23rd October the Company announced it had agreed with Resources and Energy Investments Pty Ltd the acquisition of its interests in Mackenzie. Mackenzie comprises Mineral Development Licence (MDL 503) and Exploration Permit Coal (EPC 1445) both located approximately 30km north-east of Blackwater in the Bowen Basin (**Figure 1**) which is well serviced by road, rail and port infrastructure at Gladstone. Mackenzie is adjacent to producing coal mines at Jellinbah² and Yarrabee³ with collective coal production of approximately 8.4Mt in 2019, of which the quality is primarily a low volatile PCI for export markets. Mackenzie is also proximate to coal projects subject to notable transactions including Curragh (Wesfarmers sold to Coronado Coal in 2018 for \$700M) and MDL162 (Peabody sold to Wesfarmers in 2014 for \$70M).

A previous owner of the tenements, Moreton Resources Ltd, announced an Indicated and Inferred JORC Resource for Mackenzie of 138.1Mt¹ of potential low volatile PCI coal quality. The resource is reportedly based on 31 drill holes targeting four main seams (Aries, Castor, Pollux and Pisces) occurring at depths of between 250m and 450m. Moreton Resources reported the "resource contains semi-soft metallurgical coking coal and low volatile PCI coal properties throughout"⁴.

Coking (or metallurgical) coal, as distinct from thermal coal, is primarily used to produce steel. The Department of Industry, Science, Energy and Resources⁵ report Australia is the world's number 1 exporter of metallurgical coal and in 2019 exported 184Mt with an estimated value of A\$35 billion. Notwithstanding recent Chinese restrictions on the import of Australian coal, Argus Media report that Australian coal shipments are holding up in October. They report that Queensland coal shipments are tracking in line with September and those from NSW are ahead of September, bolstered by increased demand from economies outside of China that are reopening following Covid-19 lockdowns.⁶

¹ Refer Laneway Resources Limited ASX Announcement dated 20 November 2017

² Source Jellinbah Group Pty Ltd website

³ Source: 2019 Annual Report for Yancoal Australia Ltd

⁴ Refer ASX Announcement for Moreton Resources Limited dated 2 September 2015.

⁵ Source: Department of Industry, Science, Energy & Resources; Resources and Energy Quarterly, June 2020

⁶ Source: Argus Media Australian coal exports hold up despite China ban

<https://www.argusmedia.com/en/news/2153846-australian-coal-exports-hold-up-despite-china-ban>

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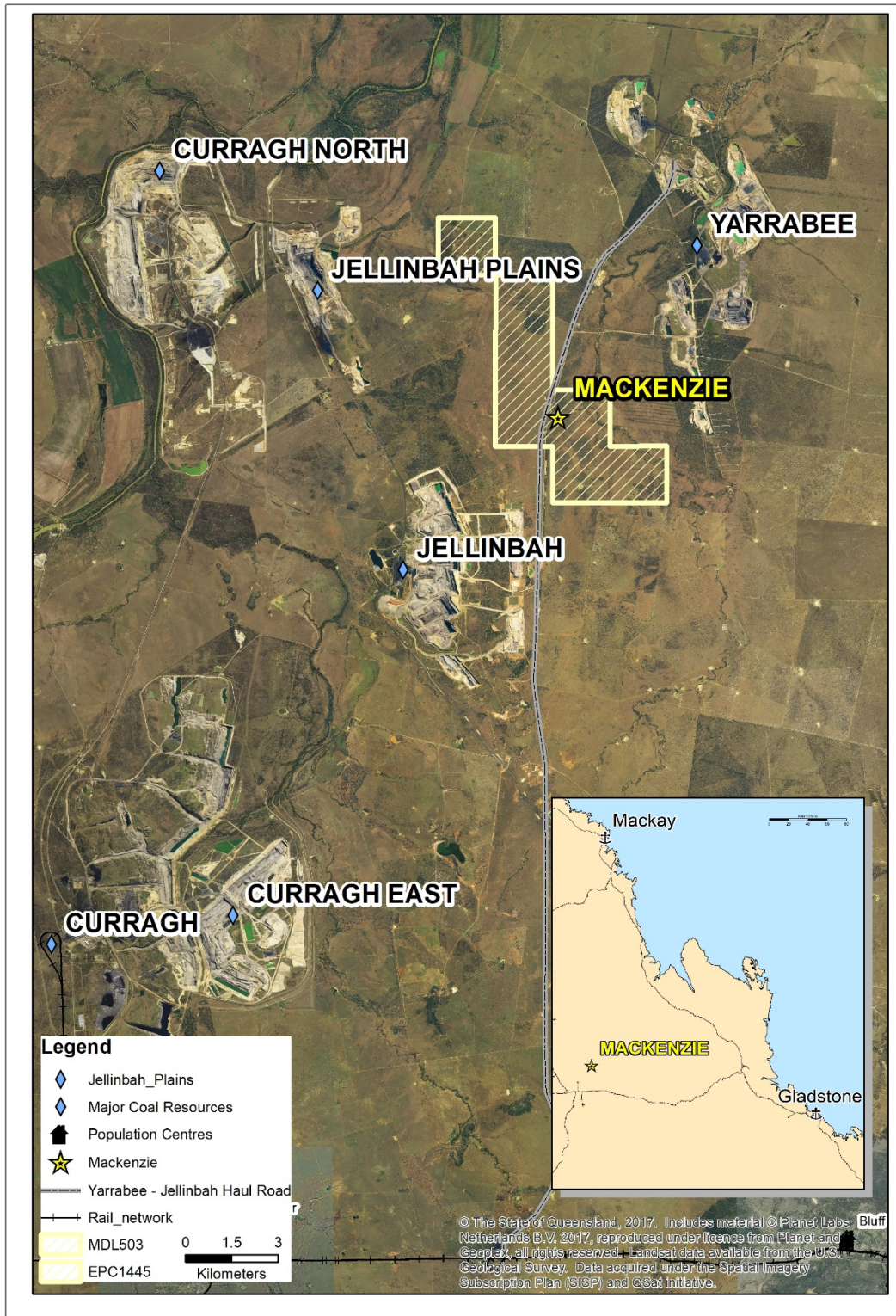


Figure 1 – Location of Mackenzie Coal Project (Queensland)

Taronga Tin Project / Torrington Exploration Project

During the quarter the Company commenced an internal review to evaluate options for selective mining of higher grade zones within the orebody. The Company has also commenced a program of test work to evaluate the application of High Pressure Grinding Rolls (**HPGR**) that may facilitate a lower capital cost options for development.

HPGR are a relatively new technology with respect to hard rock mining operations and are increasingly being used to replace ball mills, especially in large operations, because of their efficiency in reducing sizes from around 10mm to 2mm (significantly lower power and wear costs). Given the style of sheeted vein mineralisation at Taronga, it is possible that HPGR could preferentially “crack” the host rock and expose the coarse cassiterite (tin mineral) and shear it into a high grade intermediate product. Previous metallurgical testwork has pointed to the potential upgrade achieved through comminution alone, including an average ore grade upgraded from 0.15 to 0.47%Sn (3.2 x)⁷. Delivery of a higher grade product to a processing plant could reduce the scale and capital cost of the overall project. A sample has been dispatched to a Perth laboratory specialising in HPGR testing.

Lachlan Fold Belt (NSW)

Due to COVID-19 travel restrictions between Queensland and NSW work on the Lachlan Fold Belt project was limited to desktop digitisation of historical data.

Granville Tin Project (Tasmania)

During the quarter the Company progressed discussions with several parties on the sale of the Granville Tin Project. In the interim the project remained on care & maintenance.

Corporate

On 14th August the Company provided an updated 2020 Strategy comprising a four point plan targeting improved shareholder value and is available in full at www.austinmining.com.au/asx-announcements

During the quarter the Company announced a 1:1 entitlement offer to raise up to \$3.0 million. The offer was subsequently extended to accommodate the evaluation and eventual execution of the binding term sheet for the Mackenzie Coal Project and will close at 5pm AEST on Friday 30th October. The Company has been approached by parties wanting to subscribe to shortfall shares, and the Directors of the Company have three months in which to conclude the raising.

No Directors Fees were paid during the quarter. The Company’s Directors and CEO lent the Company, on aggregate, \$26,000 during the quarter, which is intended to be repaid from the proceeds of the Company’s entitlement offer.

Cash expenditure related to exploration and evaluation for the quarter amounted to \$61,704, including wages capitalised into eligible project expenditure.

Tenement Management

The Company’s interest in tenements for the quarter are outlined in the attached Appendix 1. During the Quarter the Company relinquished two Group 2 exploration licences previously held for the exploration of zinnwaldite (lithium bearing mica), however retains the underlying Group 1 exploration licences for the continued exploration of numerous minerals including lithium as well as tin, copper, silver and tungsten.

⁷ Refer ASX Announcement dated 24 October 2018



Authorised by the Board of Directors

On behalf of the Board

KM Schlobohm

Company Secretary

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

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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 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.



Appendix: 1 Details of Exploration Tenements Held by Aus Tin Mining Limited

Mining Leases /Exploration Licences held at 30 September 2020

Tenement	Location	% Interest	Grant Date	Renewal Submitted	Expiry Date
2M/2018	TAS (Zeehan)	100%	06.08.18		05.03.22
32M/1988	TAS (Zeehan)	100%	01.11.88		01.11.24
EPM 19366	QLD (Kilkivan)	100%	09.08.12		08.08.22
ML 1774	NSW (Emmaville)	100%	23.09.18		21.12.29
EL 8407	NSW (Emmaville)	100%	04.11.15		04.11.23
EL 7800	NSW (Emmaville)	100%	04.07.11		04.07.22
EL 7801	NSW (Emmaville)	100%	04.07.11		04.07.21
EL 8335	NSW (Emmaville)	100%	05.01.15		05.01.21

Mining Lease / Exploration Licences acquired during the period

Tenement	Location	% Interest	Grant Date	Application Date	Expiry Date
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Exploration Licences surrendered during the period

Tenement	Location	% Interest	Grant Date	Surrender Date	Expiry Date
EL 8637	NSW (Emmaville)	100%	31.08.17		31.08.20
EL 8639	NSW (Emmaville)	100%	31.08.17		31.08.20

Mining Lease / Exploration Licences Applications outstanding for the period

Tenement	Location	% Interest	Grant Date	Application Date	Expiry Date
EL9/2019	TAS (Zeehan)			29.08.19	

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