

CONSOLIDATED TIN MINES LIMITED

11 June 2010

Company Announcements Office

Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

NON-RENOUNCEABLE ENTITLEMENT ISSUE – DESPATCH OF PROSPECTUS AND ENTITLEMENT AND ACCEPTANCE FORM AND SHAREHOLDER UPDATE LETTER

The Company is pleased to advise that the Prospectus and Entitlement and Acceptance form has been dispatched to shareholders today. Also attached is an update letter sent to shareholders with the entitlement issue documents.

Key dates

With respect to the Entitlement Issue, the Company will accept applications until 5.00pm WST on Tuesday, 6 July 2010 (**Closing Date**) or any other date the Directors in their absolute discretion determine, subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable law. An indicative timetable for the Entitlement Issue is as follows:

| Event | Date |
|--|--------------|
| Record Date for Determining Entitlement to New Shares | 8 June 2010 |
| Prospectus and Entitlement and Acceptance Form Despatched to Eligible Shareholders | 11 June 2010 |
| Offer Opens | 15 June 2010 |
| Closing Date for Receipt of Acceptances and Application Monies * | 6 July 2010 |
| Anticipated Date for Allotment and Issue of New Shares* | 7 July 2010 |
| Despatch of Holding Statements* | 14 July 2010 |

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the New Shares.

Yours sincerely

CONSOLIDATED TIN MINES LIMITED



Kevin Hart
Company Secretary

CONSOLIDATED TIN MINES LIMITED

ABN 57 126 634 606 ACN: 126 634 606
395 Lake Street North Cairns Qld 4870.
Ph (07) 4032 3319 – Fax (07) 4027 9429
Email: admin@csttin.com.au

Page 1 of 1

CONSOLIDATED

TIN MINES LIMITED



11th June 2010

Dear Shareholder

SHAREHOLDER UPDATE

Recapping progress to date

Consolidated Tin Mines Limited listed on the ASX on 26 February 2008 with a portfolio of high quality tin projects in the Herberton Tin Field, near Cairns in far north Queensland, with the stated goal of becoming the premier tin mining company in Queensland. Against a background of the downturn in financial markets and falling commodity prices the company has remained committed to achieving this goal.

The Company's plan is to establish a major tin project with significant resources of tin ore, of 8 to 10 million tonnes, that will support the construction of a large scale central mill which will process one million tonnes of ore per annum and produce approximately 5,000 tonnes of tin metal a year.

Under this plan, the Company will deliver large scale, long term revenue for the benefit of our shareholders.

Since listing on the ASX, management has worked diligently on developing three key tin projects; the Gillian, Pinnacles and Windermere projects, and has carried out extensive drilling programs to expand the size of our tin resources.

We are delighted that the drill programs have produced better than expected results, which culminated in the company completing a major resource upgrade within the projects of 5.3 million tonnes of tin mineralisation, at a grade of 0.6% tin. In addition, we have also confirmed an iron mineralisation resource within the projects of 5.3 million tonnes, and a fluorine mineralisation resource of 960,000 tonnes. The Company views the iron and fluorine content as a significant added bonus, which may further add to the commercial value of the project.

Our three project areas remain open both in depth and laterally, which provides the company with a great opportunity to further expand the size of our total resource. We will continue to progress our exploration programs as quickly as possible to expand the size of the resource base to our conceptual exploration target of 8 to 10 million tonnes of tin at minimum grade of approximately 0.5%(Note 1).

The Herberton Tin Field was once the largest tin producing area in Australia and the Company believes the field still has the potential to provide tin ore, at the scale we plan, for many years.

The company has identified the preferred location for the central mill it plans to build to process the tin ore. It is located close to transport infrastructure, high voltage power and the town of Mt Garnet. In addition, the company has employed a senior tin metallurgist and commenced work to develop milling and mineral extraction circuits.

Moving forward

The next major milestone will be the completion of a Bankable Feasibility Study (BFS) for the project which we believe will be the catalyst to secure funding for the Central Mill construction.

The Company is currently undertaking a Scoping Study. This study will be subject to review by independent experts SEMF Pty Ltd, and will be released in the near future.

CONSOLIDATED TIN MINES LIMITED

ABN 57 126 634 606 ACN: 126 634 606
395 Lake Street North Cairns Qld 4870.
Ph (07) 4032 3319 – Fax (07) 4027 9429
Email: admin@csttin.com.au

Page 1 of 3

SEMF has over thirty years experience in heavy mining and bulk handling products of this nature. In particular SEMF has performed similar work for BHP, Rio Tinto, Comalco Mining and Refining, MM Kembla and others. SEMF has particular experience in tin mining at Renison Bell. A current project for King Island Scheelite involves a metallurgy process that is likely to be similar to CSD.

The next step on the way to the full BFS will be a pre-feasibility study. Your Directors have decided the best way to fund this is through the current entitlement issue offer of 1 new share for every share currently held at a purchase price of \$0.04. This allows current shareholders to increase their holding at a favourable price.

The Directors are very aware of the significant capital cost to establish the central mill and with this in mind, continue to pursue opportunities to secure an appropriate strategic partner. We have been fortunate to be invited by the Queensland Government to attend a State Government Trade Mission to Shanghai China in late June. The Company will be one of four Resource companies attending. In addition to the trade Mission the Company will be meeting with investors in Shanghai and also Hong Kong.

The Company also holds significant alluvial tin deposits, which management believes can be brought into production with relatively minimal capital outlay and in a short time frame, and we are looking to develop these into a mining operation in the short term to provide revenue and help fund the development of the major project area.

Discussions are continuing with potential JV partners to bring the alluvial project into production in the short term.

The directors are excited by the future prospects of the Company, and the significant scale and potential of the operation. Consolidated Tin Mines has high quality projects and a clear focused strategy to achieve our goals.

On the corporate front, the Company will continue to operate in a cost effective manner which ensures that shareholders' funds are utilised in the most appropriate fashion. The Company will also continue investigating a number of options to secure further funding for the Company's ongoing activities.

The price of tin has recovered significantly in the last twelve months, and although there has been some recent volatility, the outlook for tin is considered to be bullish on future tin prices with projected tin shortages expected to drive increased tin prices. Your company is in the envious position of having major tin assets at an advanced stage at the right time in the tin price cycle.

The directors thank you for your loyalty and support and are confident you will be rewarded in the longer term. We encourage you to take up your entitlement as set out in the Prospectus. We look forward to the year ahead, and beyond, being a period of strong development for Consolidated Tin Mines as we continue to advance our plans to develop the Company into a major tin mining operation.

Yours Faithfully



Ralph De Lacey
Chairman/Managing Director.

The information contained in this report that relates to assay results of rock samples and drill chips, to mineral resource estimates and to ore reserve estimates of mineralisation is based on information compiled by John Sainsbury (BSc, AusIMM) an executive director of Consolidated Tin Mines Limited. John Sainsbury is a geologist of 30 years experience and has sufficient experience in the type of mineralisation under consideration to qualify as a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - JORC Code, 2004 Edition. John Sainsbury has consented to the inclusion of this information in the form and context in which it appears.

Note 1 This exploration target is conceptual in nature as insufficient exploration has been undertaken at this stage to define a mineral resource and. it is uncertain if further exploration will result in the determination of our mineral resources target.

Table 1: Current JORC Resource at Mt Garnet Tin Project

| TIN (Sn) | Measured tonnes | Grade % | Indicated tonnes | Grade % | Inferred tonnes | Grade % | Total tonnes | Grade % |
|--------------------|--------------------|-------------|---------------------|-------------|--------------------|-------------|-------------------------|--------------------|
| Gillian | 1,203,000 | 0.82 | 824,100 | 0.73 | 974,100 | 0.83 | 3,001,200 | 0.80 |
| Pinnacles - Wafer | - | - | 218,200 | 0.49 | 1,133,100 | 0.39 | 1,351,300 | 0.41 |
| Pinnacles - Sniska | - | - | - | - | 306,900 | 0.32 | 306,900 | 0.32 |
| Pinnacles - Hartog | - | - | - | - | 212,700 | 0.51 | 212,700 | 0.51 |
| Deadmans Gully | - | - | 401,500 | 0.49 | - | - | 401,500 | 0.49 |
| TOTAL | 1,203,000 | 0.82 | 1,443,800 | 0.63 | 2,626,800 | 0.56 | 5,273,600 | 0.64 |