

CONSOLIDATED TIN MINES**BUILDING STATE'S PREMIER TIN MINE**

Consolidated Tin Mines is focused on discovering and developing major tin deposits in one of the premier tin-producing fields in northern Queensland to become the state's premier tin miner.

THE COMPANY HAS acquired an impressive portfolio of advanced tin exploration projects in the southern Herberton-Mt Garnet tin field, giving it the opportunity to achieve its vision.

Consolidated Tin has wasted little time in moving to achieve this objective, having just completed a drill program and aeromagnetic survey at the Mt Garnet project area. This will be followed up by more drilling later this year to upgrade the size and quality of the resource and then a scoping study.

The company's end goal is to take its project areas through to a mining operation within three years.

Consolidated Tin boasts an experienced board of directors in managing director Ralph De Lacey, acting chairman-executive technical director John Sainsbury and non-executive director Andrew Kerr. The board is well known in the northern Queensland mining industry and enjoys a reputation of achievement and many years proven record of successful exploration and mining.

The location of the company's projects is no accident.

It purposely went out at a time when tin wasn't fashionable and put its footprint on the best parts of the field with the aim of packaging it together and bringing it to initial

public offering (IPO) standard.

"We floated the company in February this year so it is only a new start-up company. Our focus is tin and is mostly confined to the Mt Garnet area," De Lacey told *RESOURCESTOCKS*.

"John Sainsbury and I have been involved in mining in north Queensland for a long time and we have accumulated these tin tenements over a number of years.

"We took these up when nobody else was interested in tin. We picked the eyes out of the Mt Garnet tin field and have consolidated that down to a small focused area with several key projects in close proximity to the township of Mt Garnet within easy access to infrastructure to allow the development of a central mill and treatment plant.

"We are currently focused on three selected key projects, but there are a number of other targets that will also be brought on stream as time goes by."

The Herberton-Mount Garnet tin field has historically been a substantial tin-producing area with recorded estimated production of 85,000 tonnes of contained tin metal in concentrate up until 1985.

Large-scale tin production closed down in the region in the late 1980s after a collapse in the tin price when worldwide tin producers tried manipulating the global price.

The important aspect of the closure of the northern Queensland tin mining industry at this time was that the tin price collapse was the ultimate cause and not the lack of available ore.

"That is why in the early 2000s we began accumulating all the historic exploration data available on the area," De Lacey added.

"Much of this is the only copy of in-house company mine development planning data. This led us to the accumulation of some deposits with advanced exploration work already carried out.

"One of them, the Gillian project, already has a significant JORC resource. We are looking to develop that further then hopefully bring in resources of a similar size in the Pinnacles and Dead Man's Gully areas."

The Gillian project is a tin-bearing ironstone skarn exposed over 800m of strike on a broad ridge that was first explored for tin mineralisation in the early 1970s.

Previous exploration at Gillian included nine trenches and 16 diamond drillholes with downhole drill results including 15m at 1.47% tin, 15m at 1.50% tin, 9m at 1.84% tin and 29m at 1.18% tin.

Any active development at the time, however, was eventually scuttled by the low tin price and in 2004 Gillian was acquired by Bluestone Tin, which merged with Metals Ex in 2006.

The Australian Securities Exchange public report document at the time of the merger included a valuation of the tin mineralisation of the Gillian deposit, wherein the resource of 2.3 million tonnes of 0.84% tin grade was used.

Consolidated Tin Mines parcelled up all that information

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MANAGING DIRECTOR
CONSOLIDATED TIN MINES



for its IPO in February then took it to their independent geologist. The independent geologist's report estimated the Gillian deposit to contain an indicated JORC resource of 18,000 tonnes of contained tin metal.

"Gillian is the most advanced of our projects at this stage, however the one that we believe has the most potential to be the key deposit is Pinnacles," De Lacey said.

"Pinnacles does not have a JORC tin resource, but it does have a fluoride resource. It was explored by Comalco, looking for fluoride.

"The initial assays didn't include assay for tin. It wasn't until later in their exploration program that they realised that the Pinnacles deposit contained more tin than fluoride."

Through the early 1970s Comalco examined Pinnacles and, within a 3.5km outcropping strike ridge of skarn, named 23 occurrences of fluorine mineralisation.

Drill results of 24m at 0.6% tin and 0.6% copper, 16m at 0.3% tin and 1.5% copper, 46m at 0.12% tin and 0.3% copper were recorded.

Newmont was next and in 1978 examined Pinnacles, drilling further strike extent from the Comalco drilling, returning a best drill result of 6m at 0.4% tin and 0.9% copper from 141m downhole.

As with the Gillian project, the metallurgy of the tin mineralisation at the Pinnacles is of the most importance.

Newmont also mapped the outcropping skarn at Deadman's Gully in 1978 when channel samples of creek exposures of skarn returned up to 9m at 1% tin.

Drill results of 5m at 0.6% tin and 3m at 1.5% tin, both at shallow depth, were also recorded.

Loloma Minerals examined this prospect and estimated an inferred resource of 33,850t at 0.80% tin, which the independent geologist's report confirmed to be consistent with the JORC code and is stated as an inferred resource of 33,000t at 0.8% tin.

Consolidated Tin Mines holds a considerable area of the historic tin-producing area of the Herberton-Mount Garnet tin field and an extensive geological database, including detailed target generation work.

The company has been constantly expanding this database since its acquisition. A detailed evaluation of the previous work led the company to identify a number of high-priority tin targets, on which it recently carried out a focused drilling program.



Drilling at the Gillian project

"We have also just completed a detailed aeromagnetic and radiometric survey of the three key areas," De Lacey said.

"During the previous mining era, magnetite was considered waste product and no assaying was carried out for magnetite. Most of the hardrock tin deposits in this area occur in magnetite rich skarn. Consolidated Tin Mines will assay for magnetite and we believe magnetite will become a valuable by-product.

"In our recently completed drill program we set out to drill 2000 metres. There will be a further drilling program later this year to upgrade the size and quality of the resource."

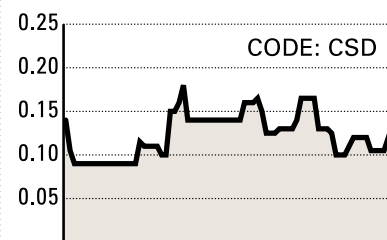
Consolidated Tin Mines' strategy is to take the three selected key project areas through to a mining operation and the company is confident it will do so within three years.

"The aeromagnetic survey and the drilling campaign just completed will define our next drilling campaign," De Lacey said.

"That next campaign will be underway by August and this will seriously look at expanding the resource.

"That will be quickly followed by a scoping study that we will hopefully have in place by late December." **RS**

CONSOLIDATED TIN MINES AT A GLANCE



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DIRECTORS

Ralph De Lacey, John Sainsbury
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MARKET CAPITALISATION

\$2.27 million (at press time)

MAJOR SHAREHOLDERS

Ralph De Lacey Superannuation
Fund 19.52%
John Sainsbury Consulting 15.53%
Smiling Sun 10.85%