

CONSOLIDATED

TIN MINES LTD

ABN 57 126 634 606



19 May 2009

Company Announcements Office
Australian Securities Exchange
Level 4 20 Bridge St
Sydney NSW 2000

Dear Sir/Madam

MANAGING DIRECTOR'S LETTER TO SHAREHOLDERS

Please find attached a letter updating Shareholders on the Company's operations.

Yours faithfully

Consolidated Tin Mines Limited

Kevin Hart
Company Secretary

CONSOLIDATED

TIN MINES LIMITED



Dear Shareholder

SHAREHOLDER UPDATE

We write to you to provide an update on your Company's activities since its successful listing on the Australian Securities Exchange (ASX) in February last year, and its developing business plans for the future.

Consolidated Tin Mines listed on the ASX 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 we remain committed to achieving this goal, and wish to ensure our shareholders have a full understanding of the Company's strategy to develop its projects.

The Company's plan is to establish a major tin project area with significant resources of tin ore (in the order of 8 to 10 million tonnes) that will support the construction of a large scale central mill which will process 1 million tonnes of ore per annum and produce a contained 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, we have worked diligently on developing three key tin projects, the Gillian, Pinnacles and Windermere projects, and over the course of last year carried out drill programs to expand the size of our tin resources.

We are delighted to advise that the drill programs produced better than expected results, and culminated in the Company completing, last month, 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 were also able to confirm an iron mineralisation resource within the projects of 5.3 million tonnes, and a fluorine mineralisation resource of 960,000 tonnes (refer ASX release 20 April 2009). The Company views the iron and fluorine content as a significant added bonus, which may further add to the commercial value of the project.

The resource outlines within the three projects remain open in lateral and depth extent and we will continue to progress our exploration programs as quickly as possible to further expand the size of the resource base to our conceptual target of 8 to 10 million tonnes of tin at minimum grade of approximately 0.5%. We also plan to look outside the initial three Key target areas, but still within Company held exploration tenure, to establish further tin resources to extend the mine life, and provide for even longer term revenues. Our targeted resource base is conceptual in nature as insufficient drilling has been undertaken at this stage. It is uncertain that future drilling will result in the determination of our target.

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, on the Kennedy highway, high voltage power and the town of Mt Garnet. We have also commenced discussions with potential funding partners to provide finance for the mill construction.

The Company has engaged consultant metallurgists with expertise in tin and commenced test work to develop milling and mineral extraction circuits.

The Company also holds significant alluvial tin deposits, which 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.

The most advanced alluvial tin project, the Upper Battle Creek project, is expected to be ready to commence mining in June 2010. The scale of operation will be in the range of one million cubic metres per annum, producing approximately 500 tonne of tin metal in concentrate.

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 has a clear focused strategy to achieve our goals.

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

The directors thank you for your loyalty and support to date and are confident you will be rewarded in the longer term. 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
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.