



12th September 2011

TINCO Investments Ltd

("TINCO" or the "Company")

TINCO completes placing to raise £8 million and widen shareholder base

TINCO Investments Ltd, the vertically integrated tin mining and exploration company focussed on Africa, is pleased to announce the completion of a placing of £8 million in the form of a two year convertible loan note.

Rationale for placing

The rationale for the capital raising is the TINCO management team's desire to broaden the Company's existing shareholder base and to introduce a number of new 'cornerstone' investors to the Company. The investor group is led by Julian Treger of Audley Capital and includes a number of very prominent private investors from the UK, Europe and Asia with considerable experience of mining and other natural resource investments. Julian Treger has agreed to serve as a Non-Executive Director of the Company.

Brian Menell, Chief Executive Officer of TINCO, commented:

"I am delighted to announce the successful completion of this placing. TINCO's unique position gives the company a fantastic opportunity to benefit from the extremely attractive fundamentals of the global tin market, and the participants in this investor group add very considerable experience and strategic vision, as we progress to our next phase of development".

Background on TINCO

TINCO owns and operates a vertically integrated portfolio of tin-related investments. TINCO is one of the few western companies solely focussed on tin mining, with both producing and development assets.

TINCO's primary assets are the five producing tin mines in the Rutongo concession in Rwanda. The mines were historically world class tin producers under the ownership of the Belgium company, Geomin, but were nationalised in mid-1980s by the Rwandan government, and then largely closed in the mid 90's.

Currently the company's Rwandan assets produce over 100mt of 71% SN concentrates per month which are currently exported, by TINCO, to Malaysia.

The Company is engaged in further exploration and development of its Rwandan assets with a view to significant increases in production over the next two years. As opportunities arise, TINCO also intends to acquire and develop further tin related assets both in Rwanda and in certain other African countries.

In Rwanda, TINCO funds and manages a series of active social responsibility programs ranging from agricultural development to football.



Kemet International Ltd is the controlling shareholder of TINCO. Kemet is a private vehicle managed by Brian Menell, the Chief Executive Officer of TINCO. Kemet invests in, and manages, a range of natural resource projects across Africa and advises certain African governments on mining policy.

Tin market background

TINCO management believes that the fundamentals of the tin market remain extremely attractive to investors. The general uptrend in the tin price since 2009* is underpinned by very positive demand and supply factors such as:

- Very tight supply of tin generally**
- The increasing use of tin as a substitute for lead in solder, for electronic equipment
- Rising silver prices which underpin tin demand as silver contents decrease in solders
- The capping of production of many base metals in China, the world's largest tin producer
- Reduced production from other traditional sources including Indonesia and the Democratic Republic of Congo, the latter influenced by the US 'Conflict Minerals' Act
- Global demand for handsets, laptops and electronic devices, especially from China
- Decreasing levels of global tin reserves which have been diminishing since the late 1990s
 - Peru, Bolivia and Russia registered peak tin outputs in the 1990s, and are now producing only 10-20% of their respective peak volumes
- Most new mining projects globally exploit low-grade ores as high-grade ores have been largely depleted

TINCO management

TINCO's executive management is headed by Brian Menell, the Company's Chief Executive Officer. The Menell family founded one of South Africa's most successful mining and industrial conglomerates, the Anglovaal Group.

Mr Menell has 23 years of experience of natural resources investing and project development ranging from precious metals to oil and biofuels.

Mr Menell has been directly involved in the development of a wide range of mining and other natural resources projects across seventeen African countries, including: South Africa, Mozambique, Zambia, Malawi, Tanzania, Kenya, Nigeria, Sierra Leone, Rwanda and Gabon.

* In early 2009, tin prices were c. \$10,000 per tonne. On 20 April 2011, prices were \$32,800 per tonne

** The US Geological Society reported that global tin production fell from 301,000 metric tonnes in 2007 to 260,000 metric tonnes in 2009

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