tungsten mining NL

ABN 67 152 084 403

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Quarterly Report – March 2018

Highlights

- **$20m Placement to accelerate development at Mt Mulgine** – Subsequent to end of the quarter, the Company announced that it had agreed terms for a placement to sophisticated and institutional investors to raise approximately $20m ("Placement"). Directors have received firm commitments for the entirety of the Placement and are finalising the terms for acceptance of over-subscriptions, conditional upon shareholder approval.
- **China's XTC host Tungsten Mining Board visit** – Following the signing of an MoU with Xiamen Tungsten Co., Ltd (XTC) in late 2017, XTC's senior management hosted meetings attended by the entire Tungsten Mining board in Xiamen, China in January 2018. This included an opportunity to visit their tungsten and battery materials processing facilities and China National R&D Centre for Tungsten Technology.
- **Global tungsten price recovery sustained** – Significant increases in global tungsten prices (by reference to price quotations for European ammonium paratungstate – APT) in the second half of 2017 (increasing by 55% over the year) were sustained through the March quarter with the average APT price for the quarter reported as US$322/MTU (A$413). The substantial increase in the tungsten price and improved outlook for the commodity has translated into a significant uplift in the value of the Company's tungsten assets which has seen a corresponding increase in the value of the Company's shares on ASX.
- **Progressing of infill drilling** - to a 40 metre spacing of the Mulgine Hill Mineral Resource, sterilisation drilling of major mine infrastructure and exploration drilling of newly defined tungsten-molybdenum mineralisation south of Mulgine Hill.
- **Completion of ECI phase** – has provided a simple flowsheet design, incorporating the modular heavy mineral gravity processing plant and has confirmed a low capital cost installation.
- **Director Appointment** – In January 2018 the Company announced the appointment of Tan Sri Dato Tien Seng Law to the Board as a Non-executive Director and Deputy Chairman.
- **Appointment of Principal Metallurgist – Mark Merry** - bringing a high level of operational expertise to TGN in the production of scheelite concentrate and the downstream processing to APT.
- **Cash position** – The Company's cash position as at 31 March 2018 was $15m.

Commentary

During the March quarter Tungsten Mining has continued to deliver on its development plan for the Mt Mulgine Tungsten Project with the progression of several key project work packages. In particular, completion of the Early Contractor Involvement (ECI) phase, continued sterilisation drilling to finalise the project footprint and progression of the waste rock and tailings characterisation study, tailings dam design and groundwater study. Completion of these studies will form part of the Mining Proposal and further de-risk and provide greater definition to the project.

The Placement announced in April will further strengthen Tungsten Mining's existing significant cash reserves to support accelerated development at Mulgine Hill, fast tracking an expansion case incorporating the Mulgine Trench deposit and to maximise opportunities presented in the market.

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Tungsten Mining

Tungsten Mining NL ("the Company") is focussed on the discovery and development of tungsten deposits in Australia. The Company's key projects are Mt Mulgine, Big Hill and Kilba Projects, all in Western Australia.

Through exploration and acquisition, the Company has established a portfolio of advanced tungsten projects with Mineral Resources at a 0.10% WO_3 cut-off comprising Indicated Resources of 14.8Mt at 0.21% WO_3 and 35ppm Mo and Inferred Resources of 72.5Mt at 0.17% WO_3 and 220ppm Mo, totalling 87.4Mt at 0.18% WO_3 and 188ppm Mo. This represents more than 15.6 million MTU (metric tonne units) of WO_3 and 16,400 tonnes of contained Mo, providing the platform for the Company to become a globally significant player within the primary tungsten market through the development of low cost tungsten concentrate production.

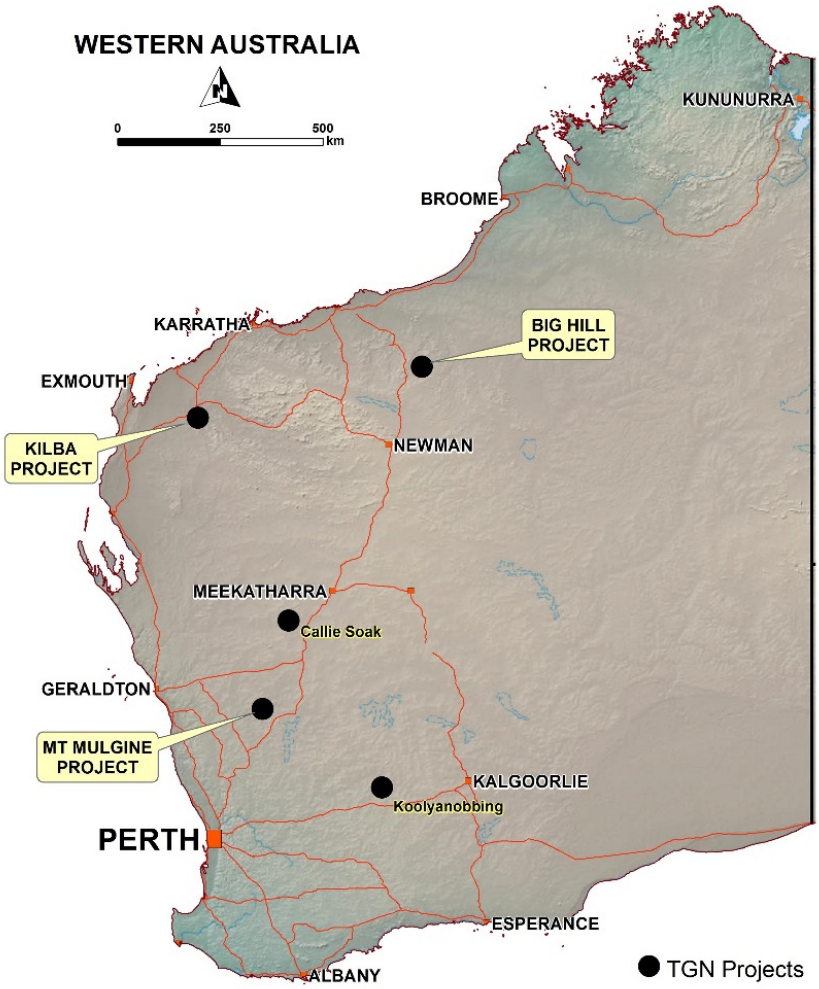

Figure 1 – Project location map

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Mt Mulgine Project, Murchison WA

The Mt Mulgine Project is located within the Murchison Region of Western Australia, approximately 350km north northeast of Perth. The Company has 100% of the tungsten and molybdenum rights on a contiguous group of tenements that have been the subject of significant previous exploration for tungsten and molybdenum.

Two near surface Mineral Resources have been delineated at the Mulgine Trench and Mulgine Hill deposits. Currently, there is a combined Mineral Resource estimate of 70.9Mt at 0.18% WO_3 and 230ppm Mo (0.10% WO_3 cut-off) comprising Indicated Resources of 4.5Mt @ 0.24% WO_3 and 120ppm Mo and Inferred Resources of 66.4Mt @ 0.18% WO_3 and 240ppm Mo.

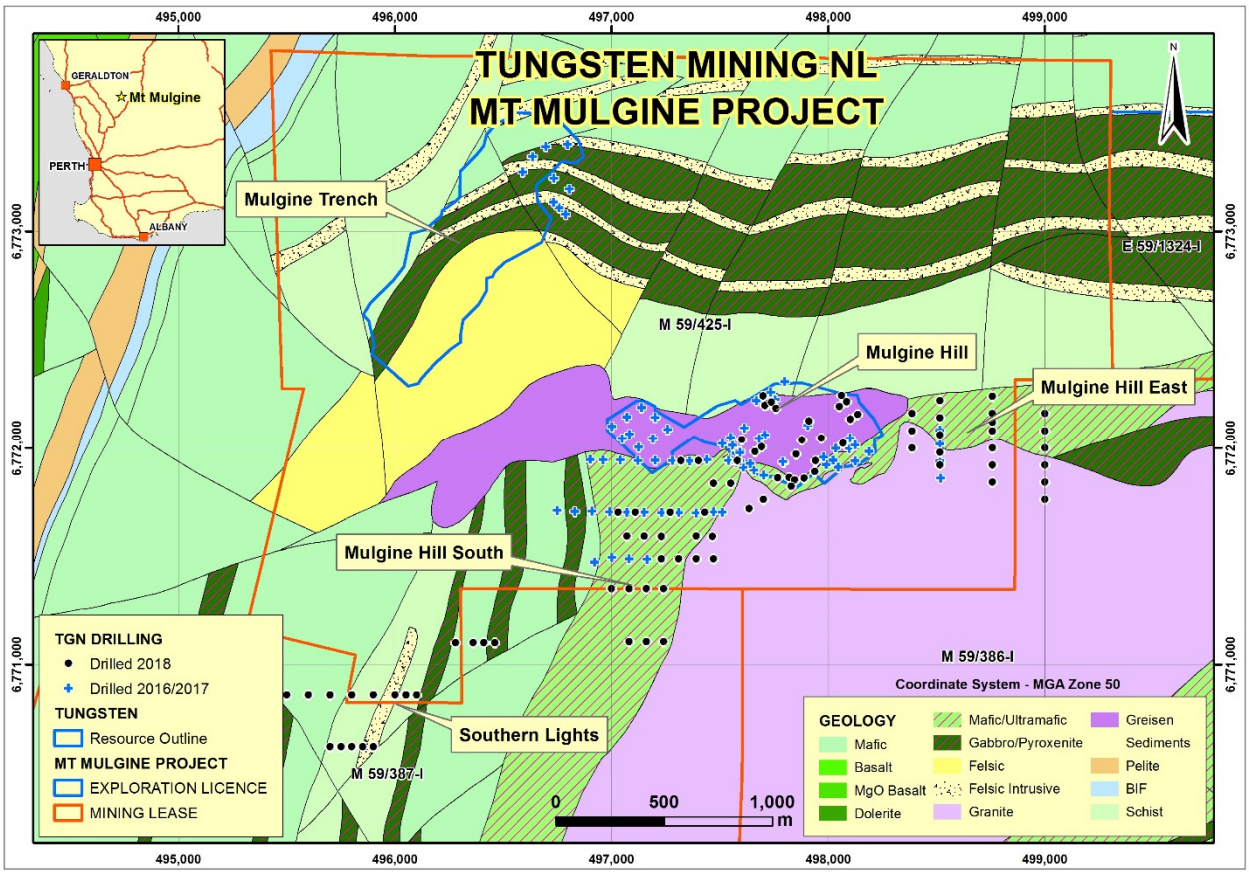

Figure 2 – Mt Mulgine project geology and Tungsten Mining drilling

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Mt Mulgine Strategic Development Plan

The Company continues to deliver on the Strategic Development Plan for the Mt Mulgine Project, directed towards the production of tungsten concentrate.

A delay in finalising the site footprint and location of key infrastructure to be included in the Mining Approval, after significant tungsten-molybdenum mineralisation was intersected at Mt Mulgine during sterilisation drilling (see ASX announcement 16 February 2018), has meant commencement of concentrate production is now targeted for the first quarter of 2019. Mining remains scheduled to commence in late 2018.

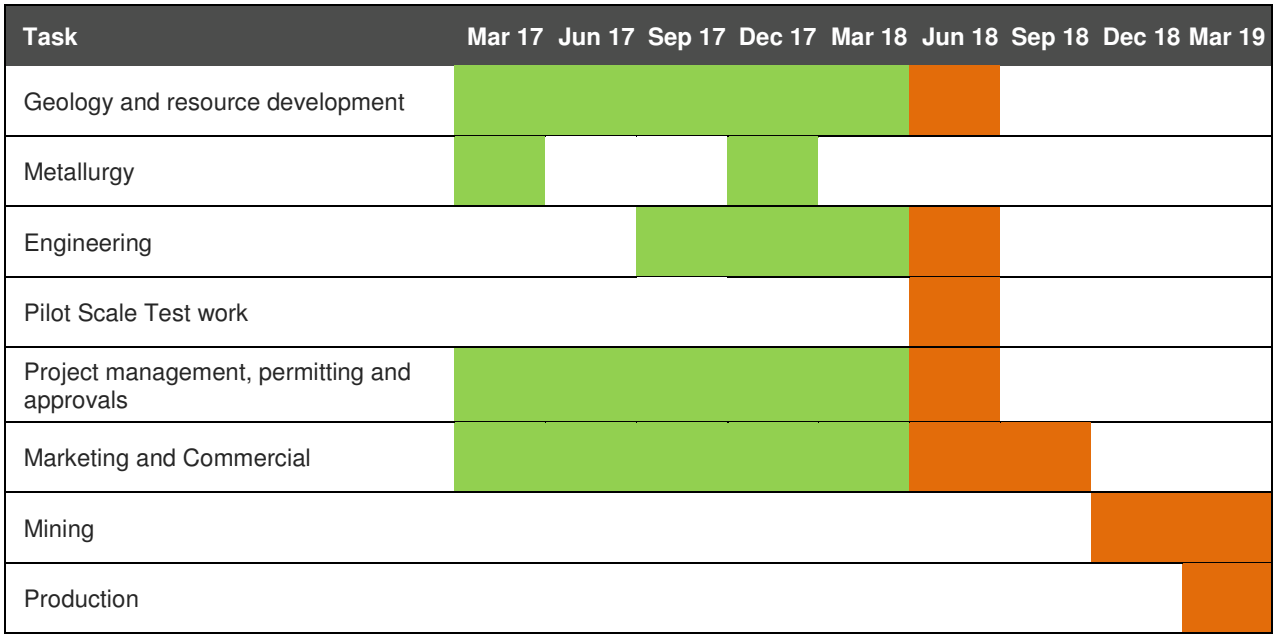

Figure 3 – Mt Mulgine Strategic Development Plan – Indicative Project Schedule

For the March quarter, work was focussed on the following activities:

- Completion of the ECI phase has provided a flowsheet design, incorporating the modular heavy mineral gravity processing plant and associated process engineering documents to take forward into the subsequent engineering phase;
- Progression of contracting strategy framework for the project implementation phase, operational readiness and beyond;
- Continued sterilisation drilling at Mulgine Hill to assist in designing the mine site layout and location of infrastructure including waste dumps and tailings storage facility;
- Commencement of infill drilling to a 40 metre spacing of the Mulgine Hill Mineral Resource, sterilisation drilling of major mine infrastructure and exploration drilling of newly defined tungsten-molybdenum mineralisation south of Mulgine Hill.
- Continued work on the various work packages to support the mining proposal including the project management plan, groundwater evaluation and waste rock and tailings characterisation;
- Completion of additional heritage survey in an expanded project footprint as a result of the tungsten-molybdenum mineralisation located during sterilisation drilling;
- Development of a test work program to underpin the next phase of R&D activities on the recovery of tungsten from the oxide layer of the Mt Mulgine deposit; and
- Completed drilling and logging of diamond core for mine geotechnical evaluation and subsequent pit design.

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Major planned activities for the June quarter will be to:

- Award engineering, procurement and construction contract or similar for the processing plant to a third party service provider;
- Commit to long lead capital items to preserve the indicative project schedule;
- Finalise mine site design and layout;
- Complete the various work packages required to support the completion of the Mining Proposal, Works Approval and other regulatory requirements prior to operations;
- Submit Mining Proposal to the Department of Mining, Industry, Resources and Safety (DMIRS);
- Submit Works Approval to the Department of Water & Environmental Regulation (DWER);
- Advance activities to address all non-process infrastructure requirements;
- Complete sterilisation drilling;
- Continue resource infill drilling on Mt Mulgine Project;
- Commence next phase of R&D test work on the recovery of tungsten from the oxide layer of the Mt Mulgine deposit;
- Determine whether pilot plant test work is required to confirm the process flowsheet; and
- Progress development plan for the next phase of the Mt Mulgine Project – large scale mining and processing activities for the Mt Mulgine Trench Deposit.

Mulgine Hill

At Mulgine Hill, mineralisation is associated with the sub-horizontal upper contact of a mafic schist unit and overlying quartz-muscovite greisen. Tungsten occurs as scheelite in coarse disseminations within the greisen or within numerous quartz and greisen veins in both the mafic schists and the quartz-muscovite greisen.

During August 2016, the Company drilled 26 reverse circulation (RC) holes for 1,007 metres and five large diameter (PQ) diamond holes for 202.4 metres at Mulgine Hill to test shallow tungsten mineralisation (refer ASX Announcement 23 September 2016).

Results from this drilling were encouraging, intersecting thick zones of tungsten mineralisation at all target areas. Drilling confirmed continuity of mineralisation within the existing Mineral Resource plus defined extensions in both fresh and weathered material along strike and down dip.

Resource Update

Interpretation of all new data collected since the June 2016 Mulgine Hill Mineral Resource estimate was completed in the June 2017 quarter. Specialist Mineral Resource consultants, Optiro Pty Ltd were engaged to update the Mulgine Hill Mineral Resource estimate. Two new components have been added to the 2017 Mineral Resource estimate, comprising the introduction of a high-grade sub-domain for the Main Zone and a Mineral Resource reporting constraint addressing the prospects for eventual economic extraction.

The Mineral Resource estimate for Mulgine Hill as of 30 June 2017 is 7,100,000 tonnes at 0.23% WO_3 and 98 ppm Mo (Refer to ASX announcement dated 28 July 2017).

December 2017 Quarter Drilling

During the previous quarter, 37 RC holes for 2,692 metres were drilled on the Mt Mulgine Project. The objectives of this drilling were to complete sterilisation drilling across two proposed waste landforms locations and complete the 40 metre drill spacing over optimised pits at Mulgine Hill. The results of the drilling program were reported to ASX on 16 February 2018.

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Significant tungsten-molybdenum mineralisation associated with quartz veined greisen close to the Mulgine Granite contact was intersected by drilling on 240 metre spaced sections. Mineralisation is located immediately south of the Mulgine Hill Mineral Resource and dips shallowly towards the east (Figure 4). The hole MMC059 intersected 8 metre at 0.34% WO_3 and 0.17% Mo from 80 metre on section 6,771,700N (Figure 6) and MMC044 intersected 13 metre at 0.22% WO_3 and 0.09% Mo from 25 metre on 6,771,940N section (Figure 5). The historic diamond hole DDM040 drilled 200 metres south of MMC059 intersected 11 metres at 0.12% WO_3 and 0.21% Mo from 35 metres.

Results are extremely encouraging with strong mineralisation intersected over 500 metres of strike. Weathering is shallow (<5 metres), indicating potentially favourable metallurgical properties. The Mulgine Granite contact at this locality is complex and covered by a thin veneer of colluvium and drilling in the March quarter was planned to determine the geometry and continuity of mineralisation present. Significant tungsten-molybdenum intersections associated with this zone are listed in Table 1.

Up to four zones of low – medium grade tungsten mineralisation were intersected west of the Mulgine Granite contact (Mulgine Hill South - Figure 2). Mineralisation was associated with zones of shallow westerly dipping quartz veining hosted by amphibolite. Better intersections include 8 metres at 0.15% WO_3 from 2 metres in MMC036 and 4 metres at 0.15% WO_3 from 45 metres in MMC047.

One line of RC holes was drilled beneath a potential location for a waste landform to the east of the Mulgine Hill Mineral Resource (Mulgine Hill East - Figure 2). This drilling intersected a shallow south dipping zone of low – medium grade tungsten mineralisation hosted by Mulgine Granite up to 4 metres at 0.19% WO_3 from 50 metres in MMC063.

Table 1 **– Significant Tungsten-Molybdenum Mineralisation on Mulgine Granite Contact**

Hole No	Mulgine Hill Sterilisation Drilling - Significant Tungsten-Molybdenum Mineralisation									
	MGA Coordinates				Intersections					
	Northing (m)	Easting (m)	Depth (m)	Dip/ Azim	From (m)	To (m)	Interval (m)	WO_3%	Mo%	Weath.
MMC044	6771701	497470	83	-60/090	**25**	**38**	**13**	**0.22**	**0.09**	Fresh
MMC044					44	47	3	0.06	0.15	Fresh
MMC058	6771701	497510	95	-60/090	**11**	**21**	**10**	**0.05**	**0.17**	Fresh
MMC058					64	68	4	0.05	0.14	Fresh
MMC059	6771940	497530	89	-60/090	**80**	**88**	**8**	**0.34**	**0.17**	Fresh
MMC071	6771932	497640	48	-90	46	48	2 (eoh)	0.28	0.03	Fresh

1m cone split RC samples. Analysis is XRF determination by Nagrom laboratories, Kelmscott WA. Lower cut-off grade 0.10% combined WO_3 plus Mo, no top cut grade, up to 2m of internal waste. eoh – end of hole. Grid coordinates are MGA Zone 50. Fresh – tungsten present in scheelite, Weath. – tungsten present in another mineral species.

Infill drilling was commenced to complete the 40 metre hole spacing over pit optimisations at Mulgine Hill. A total of 9 holes for 348 metres were drilled during the December quarter and drilling was completed in the current quarter. Holes drilled focused on the margins of the main pit defined by optimisation work (Figure 7).

Results received to date are refining the understanding of mineralisation present and will not significantly change the Mineral Resource estimate. Significant tungsten intersections from infill drilling are listed in Table 2.

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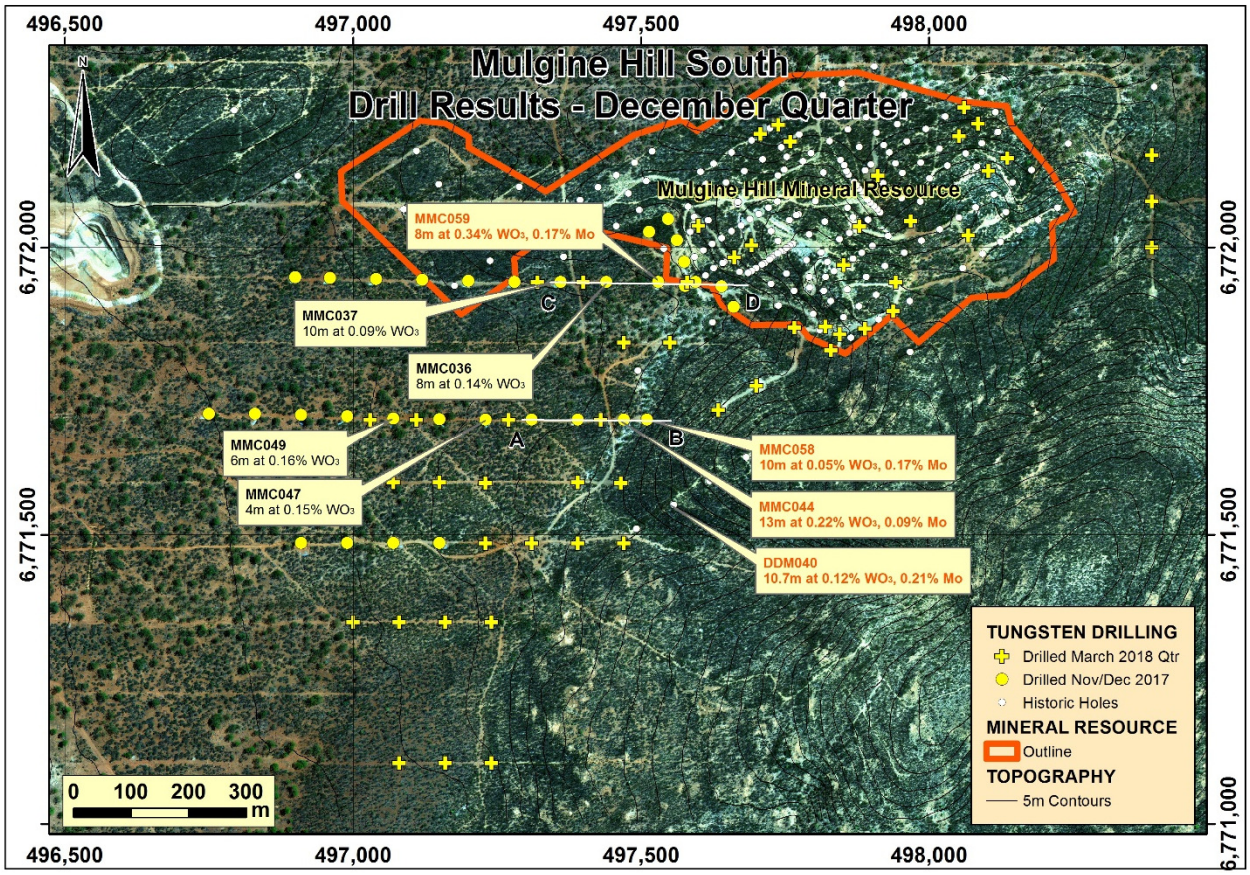

Figure 4 – plan displaying hole location, drill intersections from December 2017 and 2017 Mulgine Hill Mineral Resource outline. Yellow crosses are holes drilled during the March quarter.

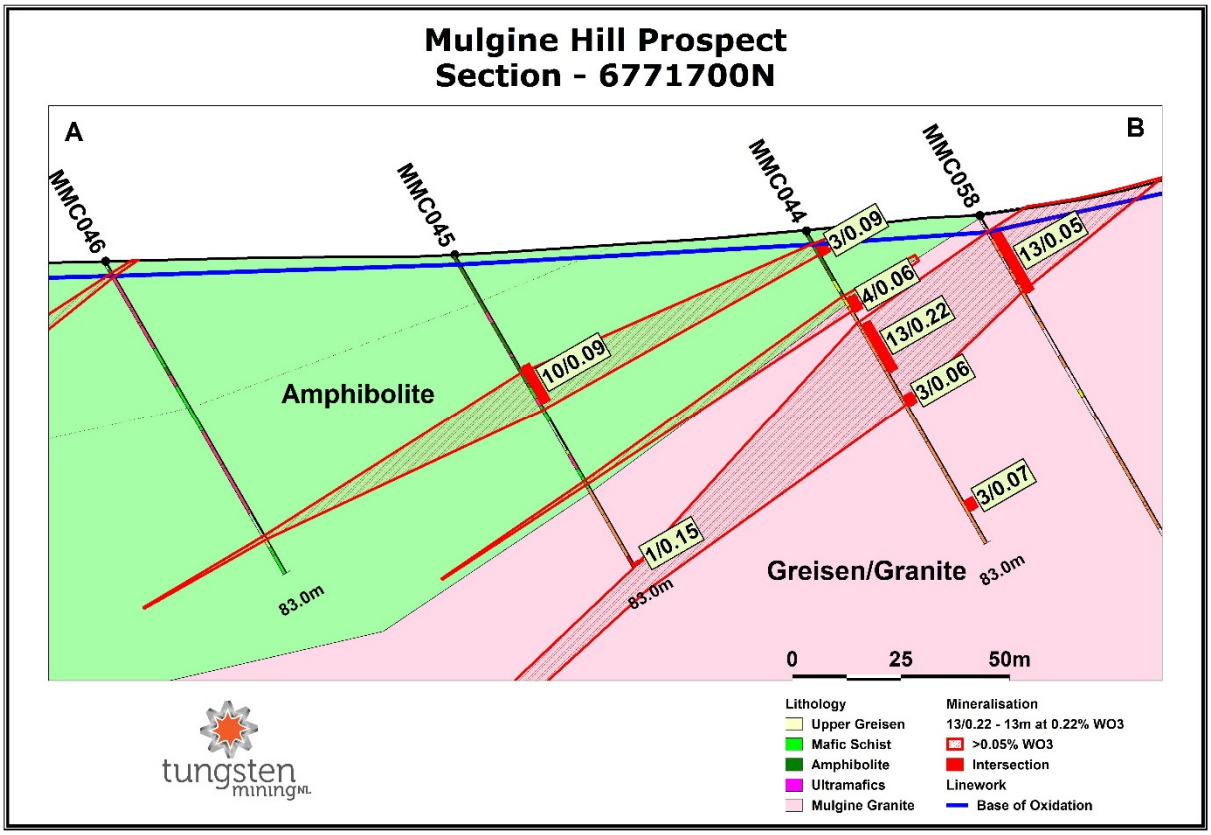

Figure 5 – Cross section showing drill intersections (0.5% WO_3 cut) on 6,771,700N section – Mulgine Hill South.

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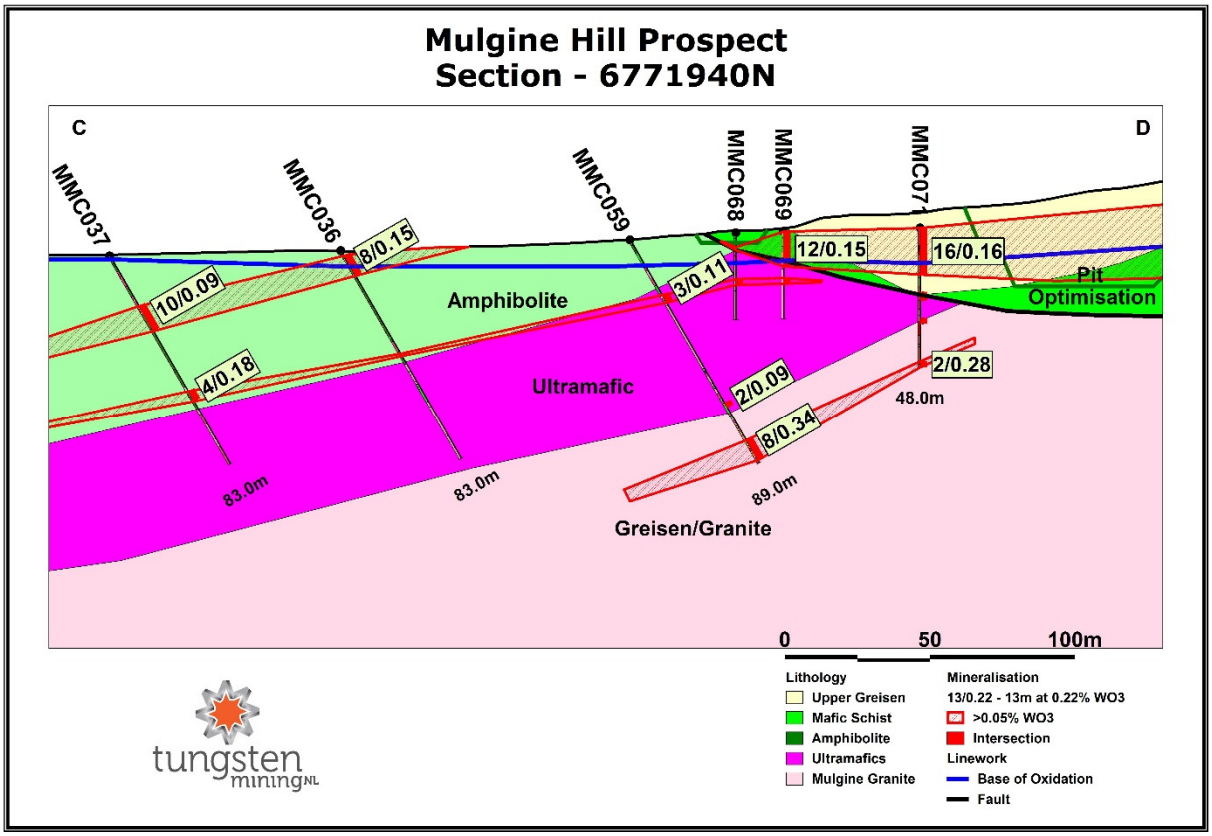

Figure 6 – Cross section showing drill intersections (0.5% WO_3 cut) on 6,771,940N section – Mulgine Hill South.

***Table 2* – Significant Tungsten Intersection from Infill drilling of Mulgine Hill pit optimisation**

Hole No	Infill RC Drilling (>0.10 % WO_3)									
	MGA Coordinates				Intersections					
	Northing (m)	Easting (m)	Depth (m)	Dip/ Azim	From (m)	To (m)	Interval (m)	WO_3%	Mo%	Weath.
MMC065	6772012	497562	30	-90	0	4	4	0.13	0.024	Weath.
MMC065					25	30	5 *	0.14	0.002	Fresh
MMC066	6772027	497514	30	-90	6	8	2	0.34	0.011	Fresh
MMC068	6771933	497576	30	-90	16	18	2	0.24	0.005	Fresh
MMC069	6771940	497595	30	-90	**8**	**10**	**2**	**0.50**	**0.058**	Fresh
MMC069					16	18	2	0.26	0.007	Fresh
MMC071	6771932	497640	48	-90	**1**	**9**	**8**	**0.19**	0.011	Weath.
MMC071					**9**	**14**	**5**	**0.18**	0.001	Fresh
MMC071					22	25	3	0.16	0.02	Fresh

*1m cone split RC samples. Analysis is XRF determination by Nagrom laboratories, Kelmscott WA. Lower cut-off grade 0.10% WO_3, no top cut grade, up to 2m of internal waste. Grid coordinates are MGA Zone 50. Fresh – contains fresh scheelite, Weath. – tungsten present in another mineral species. * Contains preliminary composite samples.*

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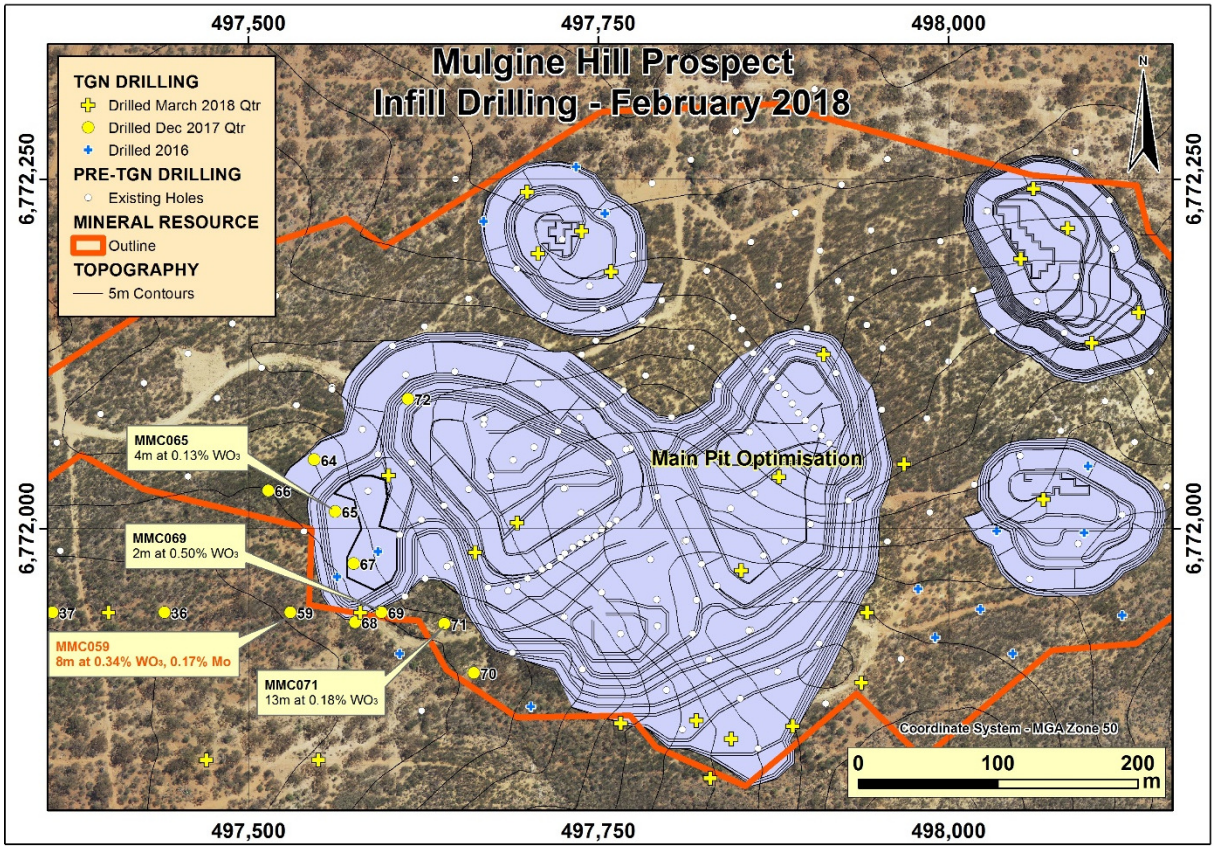

Figure 7 – Plan showing results from December 2017 quarter infilling drilling of the main Mulgine Hill pit design. Yellow crosses are holes drilled in the March 2018 quarter.

March Quarter Drilling

During the quarter, 73 RC holes for 5,006 metres were drilled on the Mt Mulgine Project. The objectives of the drilling was to complete sterilisation drilling across major infrastructure locations and complete the 40 metre drill spacing over optimised pits at Mulgine Hill. The drilling program is continuing and will be completed in April 2018. A breakdown of drilling is presented in Table 3.

***Table 3* – Drilling Completed in the March Quarter**

Prospect	Purpose	Type	Holes	Metres
Mulgine Hill South	Sterilisation and Exploration Drilling	RC	24	1,880
TSF Drilling	Sterilisation Drilling	RC	10	876
Mulgine Hill Infill	Resource Development Drilling	RC	19	888
Southern Light Soil Anomaly	Exploration Drilling	RC	7	552
Eastern Dump	Sterilisation Drilling	RC	10	810
Total			**70**	**5,006**

Geotechnical Drilling	Geotechnical Data	HQ	4	321.4

Drilling was completed in early April and assay results are currently being loaded into the database. Once data is validated and interpretation is complete drill results will be reported in early May.

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Mulgine Trench

Tungsten mineralisation at Mulgine Trench is hosted by quartz-scheelite veins in mafic and ultramafic volcanics in a 100 to 250 metre thick zone that extends over 1.5 kilometres of strike. Mineralisation is open along strike and down dip and is associated with foliation parallel quartz veins generally less than 10 centimetres in width. Mineralisation is strongest where quartz veining averages 15 – 20% of the total rock volume.

Tungsten Mining's strategy at Mulgine Trench is to target potentially low strip ratio fresh tungsten and molybdenum mineralisation beneath and adjacent to the Bobby McGee pit and gain a greater understanding of the Mulgine Trench oxide layer.

During August 2016, the Company drilled 9 RC holes for 476 metres at Mulgine Trench to test tungsten mineralisation adjacent to and beneath the Bobby McGee pit (Figure 8). Results from this drilling have been extremely encouraging, intersecting substantial thicknesses of low to medium grade tungsten mineralisation including 72 metres at 0.16% WO_3 and 0.02% Mo from surface in MMC030.

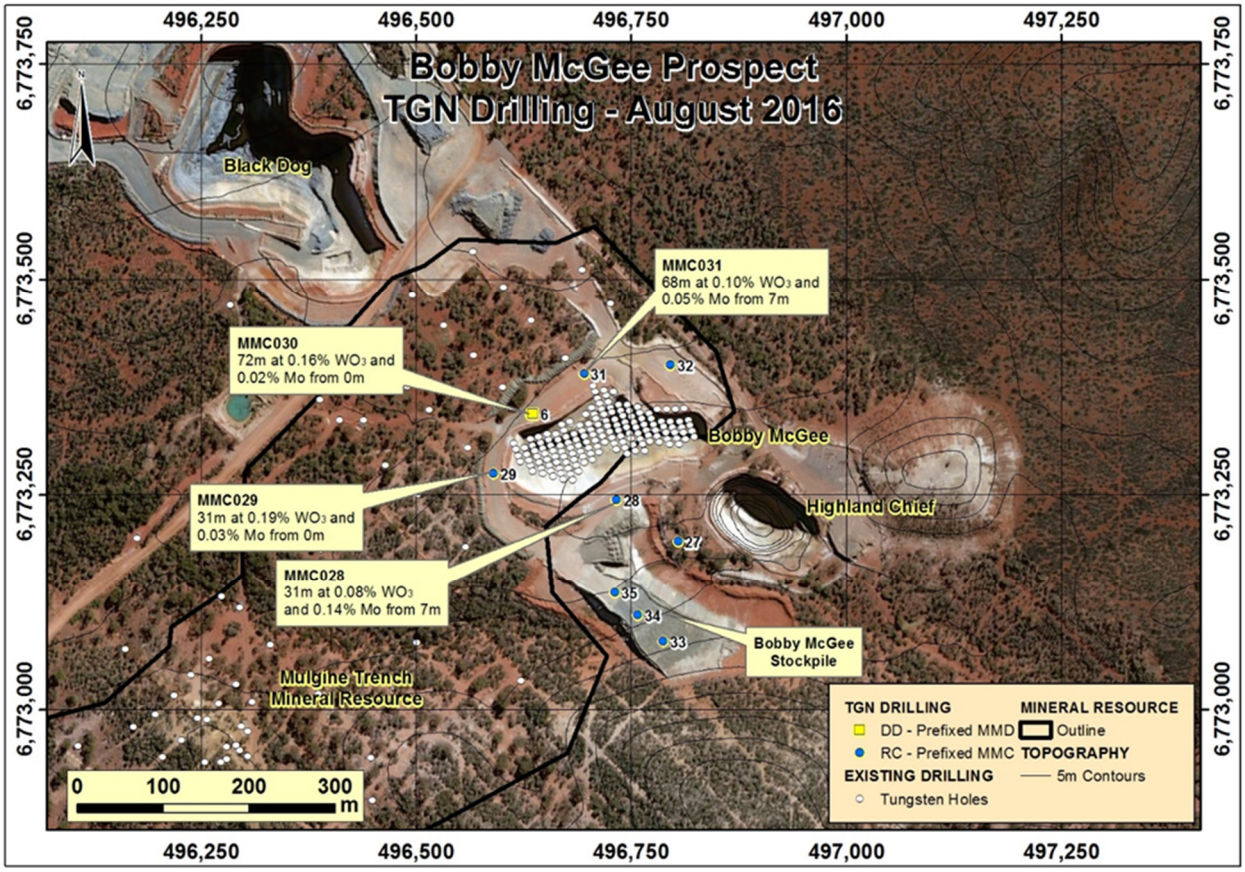

Figure 8 – Plan displaying better results from Tungsten Mining's drilling around the Bobby McGee pit.

Early Contractor Involvement (ECI) Phase

The ECI study phase was completed during the quarter with the final report and process documentation received in February.

The main objective of the ECI phase was to enhance the project value by defining and developing a process flowsheet based on metallurgical test work, integration of the modular heavy mineral separation plant and to develop a reliable capital and operating cost estimate.

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The study confirmed a simple flowsheet design including crushing, x-ray ore sorting, gravity concentration and flotation. The majority of the modular heavy mineral separation plant has been included in the flowsheet as it is suitably sized to support the proposed throughput.

The incorporation of the modular heavy mineral separation plant into the flowsheet design has confirmed the expectations of a low capital cost installation.

Results of the ECI phase will be used to progress detailed engineering and contractor engagement during the June quarter.

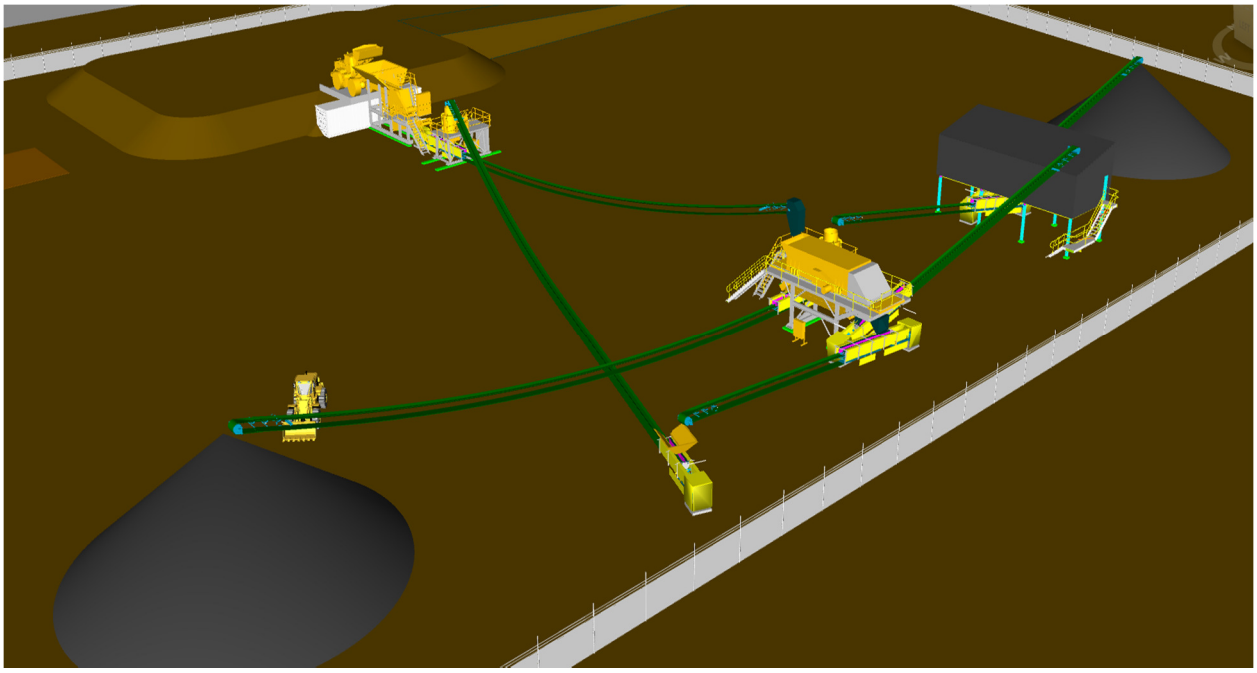

Figure 9 – View of crushing plant incorporating crushing, screening and x-ray ore sorting to produce pre-concentrate.

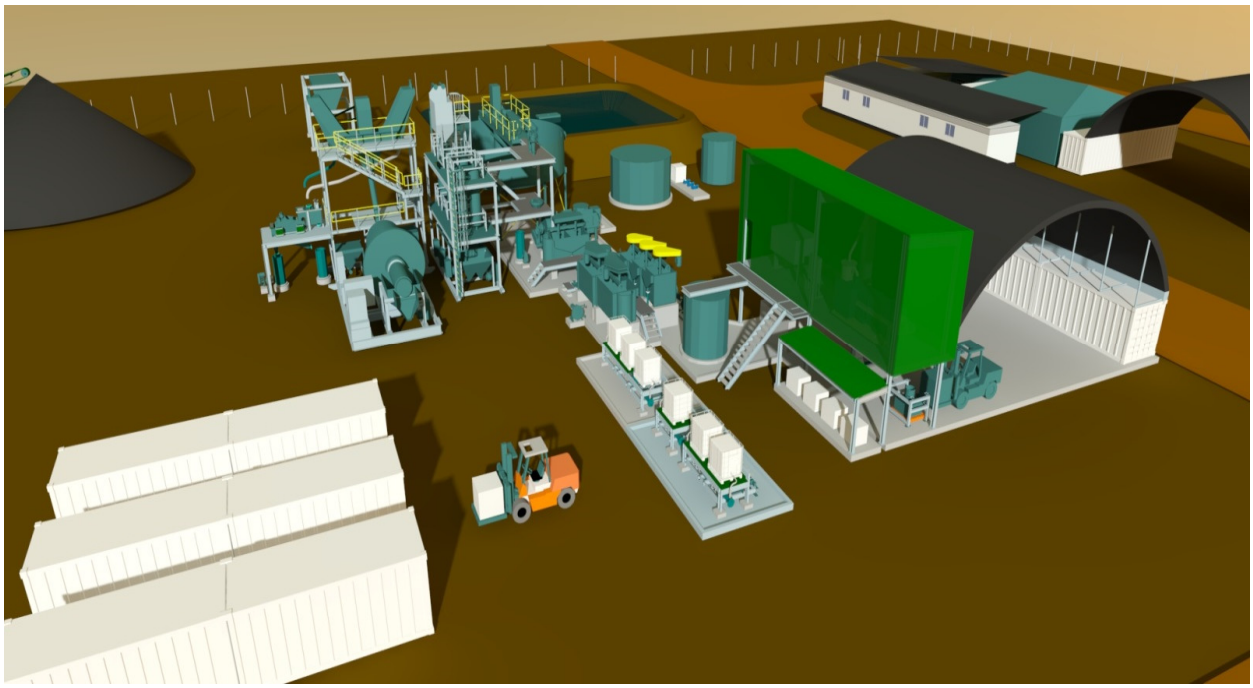

Figure 10 – View of wet processing plant, incorporating the modular heavy mineral processing plant, flotation and final concentrate preparation.

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Metallurgical Testwork

Oxide/Weathered Layer R&D

The quantity of oxidised tungsten minerals in the oxide layer is broadly equivalent to the scheelite found in the fresh material and represents significant upside potential to the project if an economic extraction methodology can be established.

As reported in the December quarterly, test work has been successful in concentrating greater than 75% of the tungsten bearing minerals being recovered as a pre-concentrate in 8% (on average) of the sample mass.

A test work program to leach the tungsten from the pre-concentrate into a saleable form has been developed with the work to commence in the June quarter.

Pit Geotechnical Evaluation

A pit geotechnical study was completed as part of the approval process during the quarter. This geotechnical study was conducted by a third party geotechnical consultancy firm, Dempers & Seymour. The program included the drilling of four geotechnical diamond core holes, logging of new and historic core, laboratory testing, evaluation of results, slope analysis and a comprehensive geotechnical report due in the June quarter. The geotechnical program allows the pit design for Mulgine Hill to be completed as it will confirm pit wall angles and overall slope angles in different rock types.

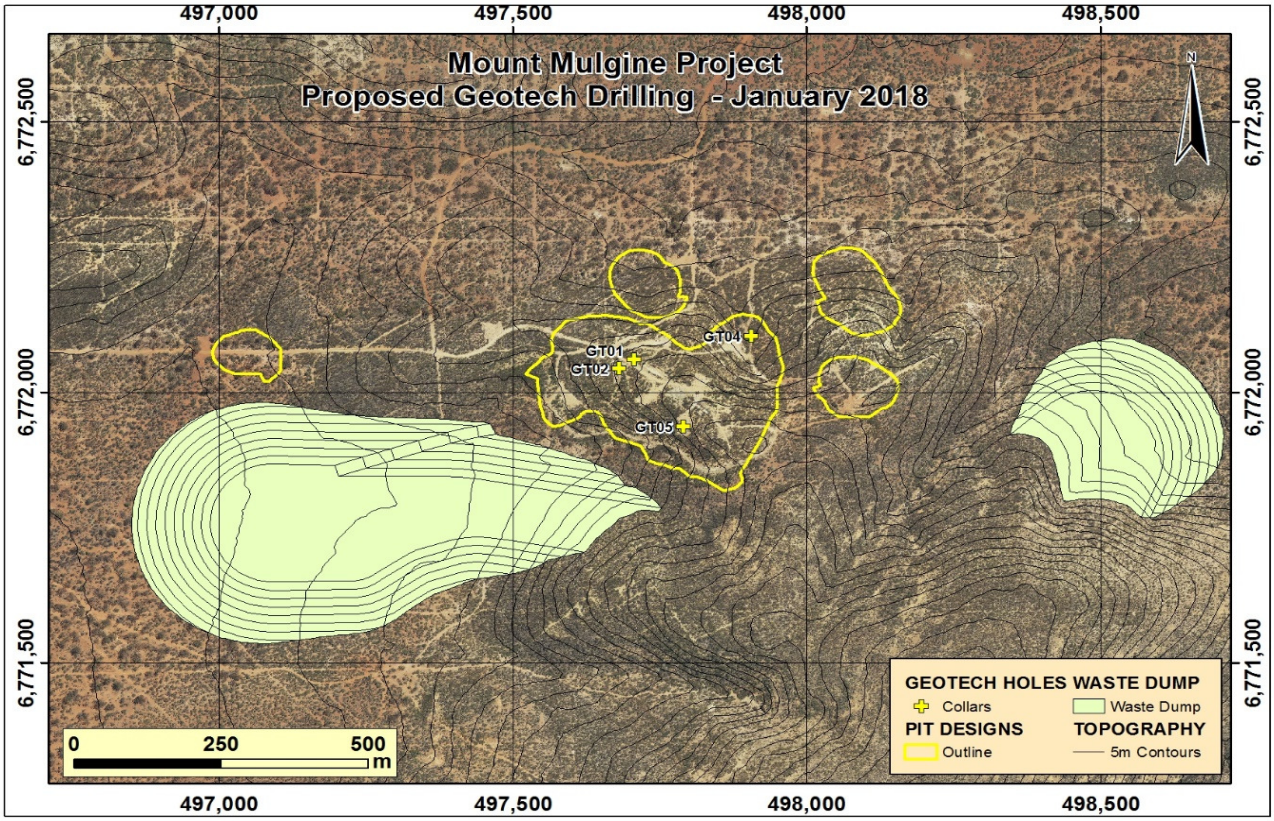

Figure 11 – Plan showing new pit designs and location of geotechnical diamond drill holes.

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Mining Proposal

Three major scopes of work to support the preparation of the Mining Proposal continued during the quarter; a waste rock and tailings characterisation study, a tailings storage facility design study and a groundwater characterisation study.

These studies were substantially advanced during the quarter and information from this work is being incoporated into the Mining Proposal and supporting management plans. Submission of the Mining Proposal to DMIRS is planned for June quarter.

The discovery of tungsten-molybdenum mineralisation during sterilisation drilling has resulted in the requirement to undertake an additional biological survey over an extended development footprint. Results of the survey will be included in the preparation of the **native vegetation clearing permit (NVCP).**

In Western Australia an NVCP is required under the Environmental Protection Act 1986 (EP Act) prior to the clearing of any native vegetation unless for an exempt purpose.

Both the biological survey and submission of the NVCP are planned for the June quarter.

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Big Hill Project, Eastern Pilbara, WA

The Big Hill Project area is located approximately 30km northeast of the Nullagine township in the Eastern Pilbara of Western Australia. The project contains the Big Hill deposit where 22,871 metres of diamond and RC drilling have defined a JORC-2012 Mineral Resource estimate totalling 11.5Mt at 0.15% WO_3 (0.10% WO_3 cut-off) comprising an Indicated Resource of 6.2Mt at 0.16% WO_3 and an Inferred Resource of 5.3Mt at 0.13% WO_3.

Metallurgical test work conducted on samples from Big Hill at bench and pilot scale has produced high quality tungsten concentrates at acceptable scheelite recoveries. This work has identified a simple and potentially low cost processing route.

Retention License R46/003 was granted in April 2017. There are no planned activities for the Big Hill Project in the next quarter.

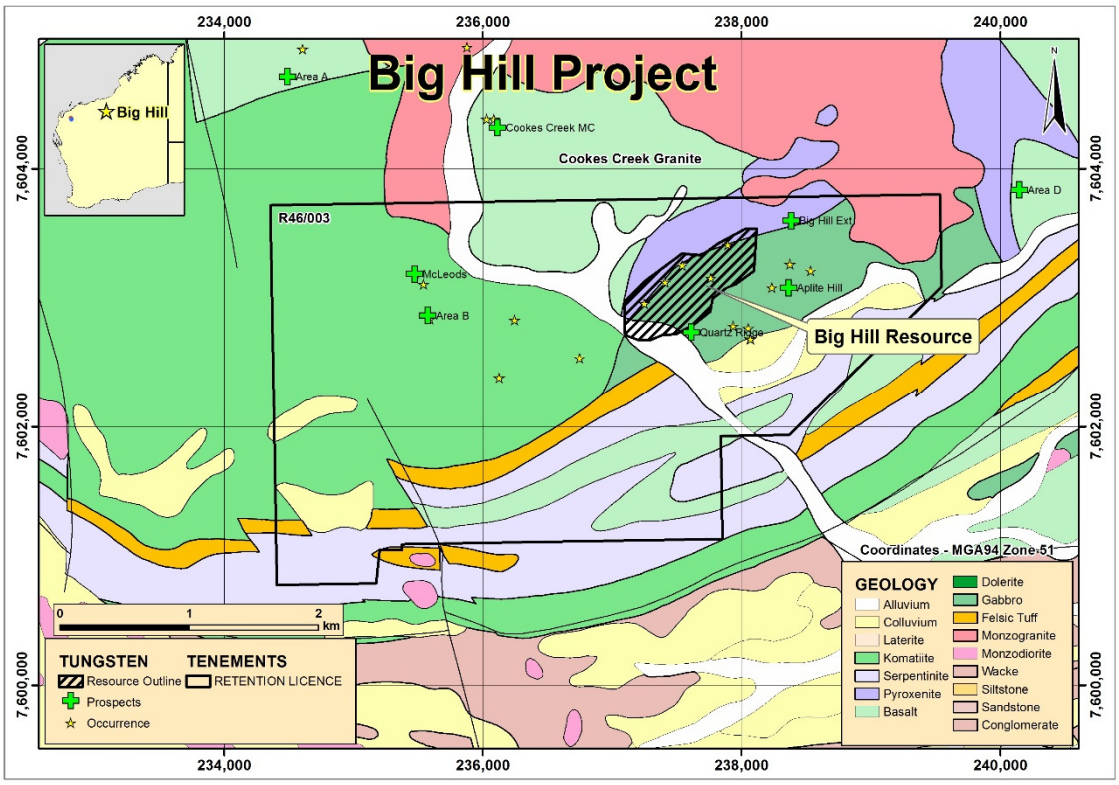

Figure 12 – Big Hill project geology

Kilba Project, Ashburton Region, WA

The Kilba Project is located within the Ashburton Region of Western Australia, 250km southwest of Karratha. To date, Tungsten Mining has focused on the historic Zones 8, 11 and 12 that Union Carbide discovered in the 1970s. Drilling has targeted high-grade tungsten mineralisation associated with skarns and calc-silicate units situated close to the Kilba granite.

This work has defined a JORC-2012 compliant Mineral Resource totalling 5.0Mt at 0.24% WO_3 (0.10% WO_3 cut-off) comprising an Indicated Resource of 4.1Mt at 0.25% WO_3 and an Inferred Resource of 0.8Mt at 0.20% WO_3.

Metallurgical test work shows that the tungsten is present as coarse-grained scheelite that will respond well to conventional gravity separation. Test work completed in 2015 has demonstrated the ability to produce an extremely high grade tungsten concentrate.

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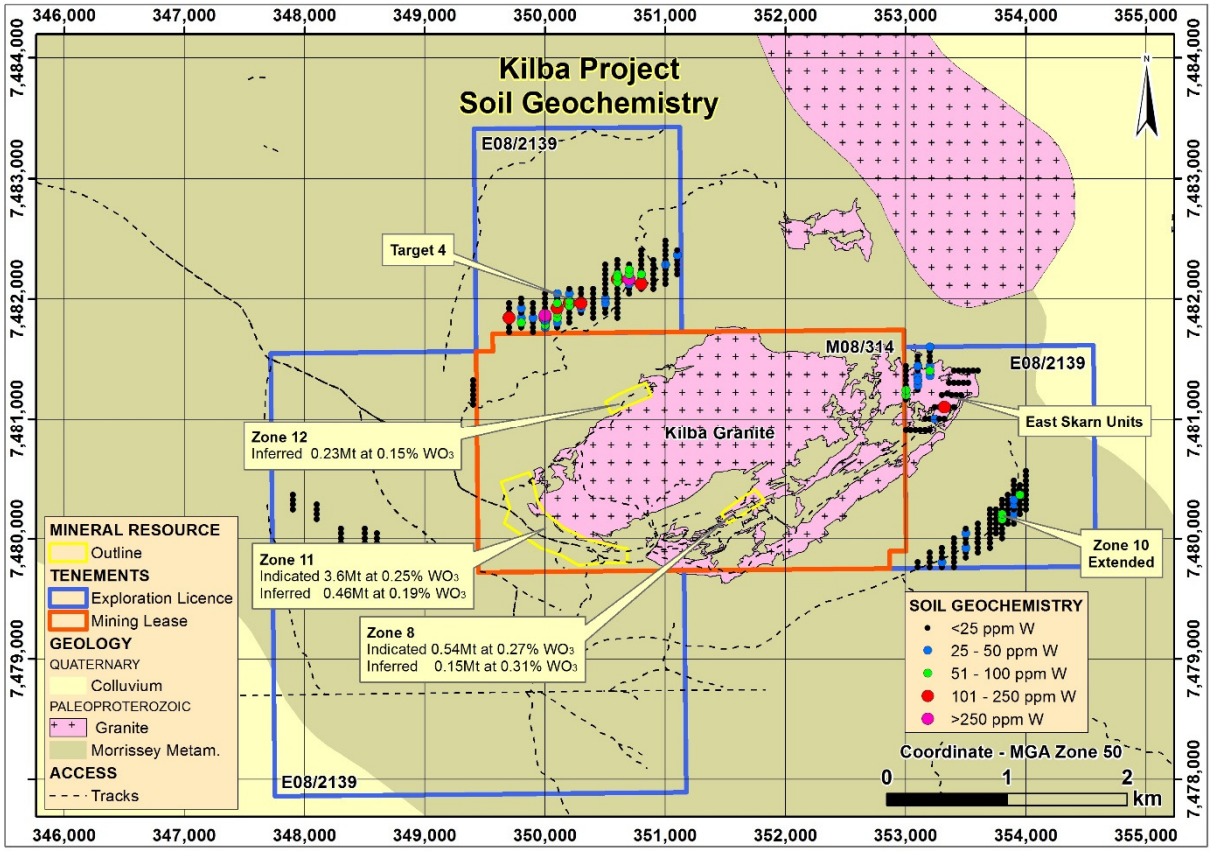

Figure 13 – plan displaying location of recent soil geochemistry and Mineral Resource at the Kilba Project

In May 2017 the WA Department of Mines, Industry Regulation and Safety approved a 5 year exemption from expenditure for M08/314 pursuant to the Mining Act. No work was undertaken during the December quarter and none is planned for the coming quarter.

Other Projects

Tungsten Mining has a portfolio of other projects in Western Australia prospective for tungsten. These include the Koolyanobbing and Callie Soak projects. Work on these projects is in the initial stages of reconnaissance and target generation and it is hoped that these tenements will yield additional mineralisation, which Tungsten Mining can exploit.

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Corporate

$20m Placement to accelerate development at Mt Mulgine

Subsequent to end of the quarter, the Company announced that it had agreed terms for a placement to sophisticated and institutional investors to raise approximately $20m ("Placement"). Directors confirm that they have received firm commitments for the entirety of the Placement and are finalising the terms for acceptance of over-subscriptions, conditional upon shareholder approval.

Pursuant to the Placement terms, shares will be issued to sophisticated and institutional investors at an issue price of 34 cents per fully paid ordinary share. For every five (5) new shares subscribed applicants will receive one (1) free attaching option. The options will be unlisted and are exercisable by payment of 60 cents on or before 31 December 2019. The offer price represented a 15.7% discount to the 10 day VWAP price of $0.403 for trading in Tungsten Mining shares on ASX immediately preceding the announcement date of 16 April 2018.

Funds raised by the Placement will be used to advance development activities at the Company's Mt Mulgine Tungsten Project, in particular to advance (fast track) studies related to large scale mining and processing operations at Mt Mulgine, acquisitions and for general working capital purposes.

Tungsten Pricing

Significant increases in global tungsten prices (by reference to price quotations for European ammonium paratungstate – APT) in the second half of 2017 (increasing by 55% over the year) were sustained through the March quarter with the average APT price for the quarter reported as US$322/MTU (A$413). The substantial increase in the tungsten price and improved outlook for the commodity has translated into a significant uplift in the value of the Company's tungsten assets which has seen a corresponding increase in the value of the Company's shares on ASX.

The improving market for tungsten endorses the Company's commitment to continuing development activities through the different stages of the commodity cycle and its strategic development plan for the Mt Mulgine Tungsten Project.

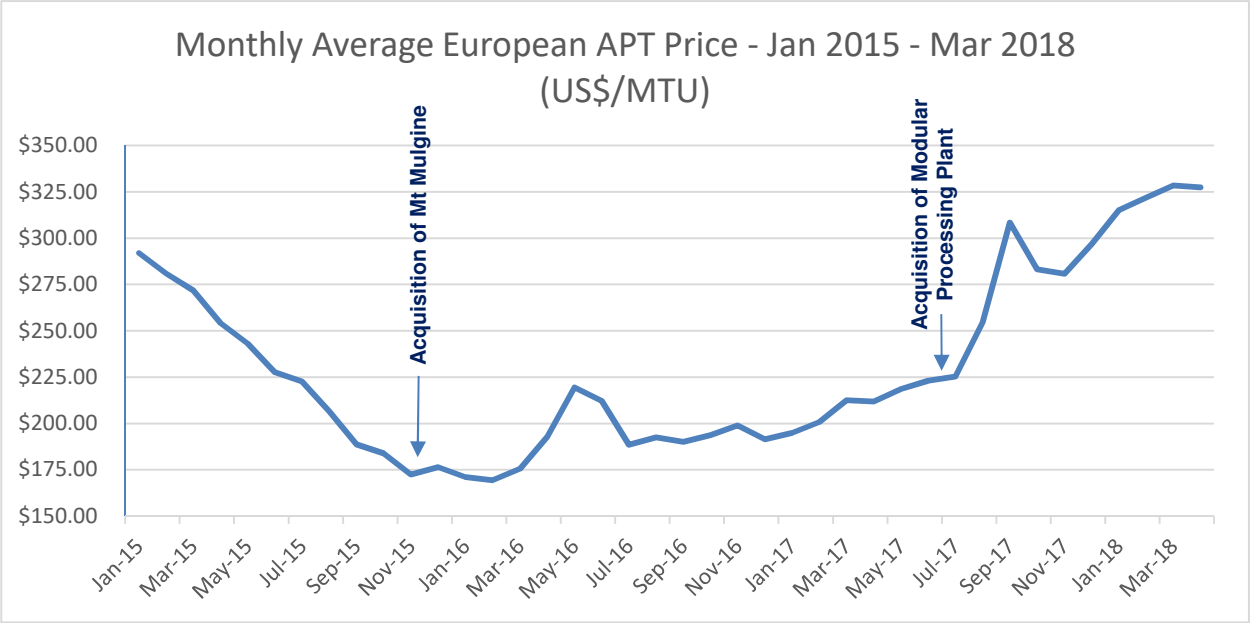

Figure 14 – APT Price (source: Metal Bulletin, Argus)

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Director Appointment

In January 2018 the Company announced the appointment of Tan Sri Dato Tien Seng Law to the Board as a Non-executive Director and Deputy Chairman.

Mr Law is a highly experienced investor with extensive business interests and investments in China and Malaysia. He is currently the executive Chairman of T.S. Law Holding Sdn Bhd, an investment holding company in Malaysia, covering a diverse range of industries. These companies include those with activities in steel making and distribution, property investment and development and food and beverage.

Appointment of Mark Merry – Principal Metallurgist

Tungsten Mining appointed Mark Merry to the position of Principal Metallurgist in February.

From 2012 to 2016, Mark held senior metallurgical roles at Nui Phao Mining Ltd's tungsten operating plant in Vietnam including commissioning of the concentrator. Over the last couple of years, Mark has held the position of metallurgical superintendent at the Nui Phao – HC Starck Ammonium Paratungstate (APT) plant in Vietnam.

Mark brings a high level of operational expertise to TGN in the production of scheelite concentrate and the downstream processing to APT.

His appointment to TGN is strategic as his experience and learnings from Nui Phao will have significant input into the process design, maintainability and operability of the processing plant, operational readiness, construction and commissioning.

We look forward to Mark's contribution over the years to come.

Other

The Company's cash position as at 31 March 2018 was $15m.

June Quarter Planned Activities

During the June quarter, the Company intends to advance its strategic development plan by undertaking the following activities:

- Award engineering, procurement and construction contract or similar for the processing plant to a third party service provider;
- Commit to long lead capital items to preserve the indicative project schedule;
- Finalise mine site design and layout;
- Complete the various work packages required to support the completion of the Mining Proposal, Works Approval and other regulatory requirements prior to operations;
- Submit Mining Proposal to the Department of Mining, Industry, Resources and Safety (DMIRS);
- Submit Works Approval to the Department of Water & Environmental Regulation (DWER);
- Advance activities to address all non-process infrastructure requirements;
- Complete sterilisation drilling;
- Continue resource infill drilling;
- Commence next phase of R&D test work on the recovery of tungsten from the oxide layer of the Mt Mulgine deposit; and
- Progress development plan for the next phase of the Mt Mulgine Project – large scale mining and processing activities for the Mt Mulgine Trench Deposit.

For further information:
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Chief Executive Officer
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Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Peter Bleakley, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bleakley is not a full-time employee of the company. Mr Bleakley is a consultant to the mining industry. Mr Bleakley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bleakley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is extracted from the report titled 'June 2016 Mineral Resource Update and Core Sampling' released to the Australian Securities Exchange (ASX) on 24 June 2016 and the report titled 'Mulgine Hill Resource Update' released to the ASX on 28 July 2017, both are available to view at www.tungstenmining.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in either of the ASX announcements and that all material assumptions and technical parameters underpinning the estimates in original ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcements.

About Tungsten Mining

Emerging Australian tungsten developer, Tungsten Mining NL is an Australian based resources company listed on the Australian Securities Exchange. The Company's prime focus is the exploration and development of tungsten projects in Australia.

Tungsten (chemical symbol W), occurs naturally on Earth, not in its pure form but as a constituent of other minerals, only two of which support commercial extraction and processing - wolframite ((Fe, Mn)WO_4) and scheelite ($CaWO_4$).

Tungsten has the highest melting point of all elements except carbon – around 3400℃ giving it excellent high temperature mechanical properties and the lowest expansion coefficient of all metals. Tungsten is a metal of considerable strategic importance, essential to modern industrial development (across aerospace and defence, electronics, automotive, extractive and construction sectors) with uses in cemented carbides, high-speed steels and super alloys, tungsten mill products and chemicals.

Tungsten Mining has three advanced tungsten projects in Australia: the Mt Mulgine Project in the Murchison region, the Big Hill Project in the Pilbara region and the Kilba Project in the Ashburton region of Western Australia.

Tungsten Mining is implementing a staged approach to the development of the Mt Mulgine Tungsten Project, initially focussed on a low capital start-up from Mulgine Hill, directed at demonstrating a pathway to positive cash flow and the basis for large scale mining and processing operations at Mulgine Trench.

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Tenement Summary

Tenement Name	Tenement	Interest held at 31 December 2017	Interest acquired/ disposed of during quarter	Interest Held at 31 March 2018
Kilba Well	E08/2139	100%	N/A	100%
Kilba Well	M08/314	100%	N/A	100%
Koolyanobbing*	E77/2279	100% mineral rights for tungsten, 20% for other commodities	N/A	100% mineral rights for tungsten, 20% for other commodities "
Callie Soak	E20/854	100%	N/A	100%
Mt Mulgine**	E59/1324-I	100% mineral rights for tungsten and molybdenum	N/A	100% mineral rights for tungsten and molybdenum
Mt Mulgine**	M59/386-I	"	N/A	"
Mt Mulgine**	M59/387-I	"	N/A	"
Mt Mulgine**	M59/425-I	"	N/A	"
Big Hill	L46/70	100%	N/A	100%
Big Hill	R46/3	100%	N/A	100%

** This tenement is held by Lithium Australia NL and subject to the terms of the Seabrook Rare Metals Venture*
***Mt Mulgine tenements are registered in the name of Minjar Gold Pty Ltd with Mid-West Tungsten Pty Ltd, a subsidiary of Tungsten Mining NL being the holder of the Tungsten and Molybdenum Mineral Rights.*

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Tungsten Mining Mineral Resource Estimates - reported at a WO_3 cut-off grade of 0.10%

Class	Tonnes	Grade WO_3%	Metric Tonne Units	Mo (ppm)	Contained Mo Tonnes
Mulgine Trench (October 2014) [1]					
Measured	0	-		-	
Indicated	400,000	0.14	50,000	400	150
Inferred	63,400,000	0.17	11,050,000	250	15,600
Total	**63,800,000**	**0.17**	**11,100,000**	**250**	**15,700**
Mulgine Hill (June 2017) [2]					
Measured	0	-		-	
Indicated	4,100,000	0.25	1,030,000	90	400
Inferred	3,000,000	0.19	570,000	110	300
Total	**7,100,000**	**0.23**	**1,630,000**	**98**	**700**
Mt Mulgine (Total)					
Measured	0	-		-	
Indicated	4,500,000	0.24	1,080,000	120	500
Inferred	66,400,000	0.17	11,620,000	240	15,900
Total	**70,800,000**	**0.18**	**12,600,000**	**230**	**16,400**
Big Hill (June 2016) [3]					
Measured	0	-		-	
Indicated	6,200,000	0.16	992,000		
Inferred	5,300,000	0.13	689,000		
Total	**11,500,000**	**0.15**	**1,681,000**		
Kilba (January 2015) [4]					
Measured	0				
Indicated	4,100,000	0.25	1,030,000		
Inferred	830,000	0.20	170,000		
Total	**5,000,000**	**0.24**	**1,200,000**		
Total Resource Inventory					
Measured	0	-			
Indicated	14,800,000	0.21	3,080,000	35	500
Inferred	72,500,000	0.17	12,490,000	220	15,900
Total	**87,400,000**	**0.18**	**15,610,000**	**188**	16,400

Note: Totals may differ from sum of individual numbers as numbers have been rounded in accordance with the Australian JORC code 2012 guidance on Mineral Resource reporting.

1. Refer ASX (HAZ) Announcement 5 November 2014, "Hazelwood continues to increase tungsten resource"

2. Refer ASX (Tungsten Mining) Announcement 28 July 2017, "Mulgine Hill June 2017 Mineral Resource Update"

3. Refer ASX (Tungsten Mining) Announcement 23 June 2016, "Big Hill June 2016 Mineral Resource Update"

4. Refer ASX (Tungsten Mining) Announcement 30 January 2015, "Kilba Mineral Resource Update"

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Tungsten Mining NL

ABN	**Quarter ended ("current quarter")**
67 152 084 403	31 March 2018

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(984)	(1,713)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(238)	(847)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	53	86
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	204	204
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(965)**	**(2,270)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(9)	(518)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

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Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (security deposit)	(40)	(40)
2.6	**Net cash from / (used in) investing activities**	**(49)**	**(558)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	13,873
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	162	867
3.4	Transaction costs related to issues of shares, convertible notes or options	(34)	(67)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**128**	**14,673**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	15,919	3,188
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(965)	(2,270)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(49)	(558)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	128	14,673
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**15,033**	**15,033**

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5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	514	619
5.2	Call deposits	14,519	15,300
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**15,033**	**15,919**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	53
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments to Directors for fees and consulting.

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	168
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Payments to associate entity GWR Group Limited for management and technical services and the reimbursement of expenses incurred by GWR Group on behalf of the Company.

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	500
9.2	Development	2,500
9.3	Production	-
9.4	Staff costs	-
9.5	Administration and corporate costs	250
9.6	Other (Payments related to plant acquisition)	
9.7	**Total estimated cash outflows** (see note 4)	**3,250**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 April 2018
(Chief Executive Officer)

Print name: Craig Ferrier

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. The estimated cash outflows for the next quarter are predominantly related to the planned development of the Mt Mulgine Project and will vary relative to the timing of expenditure and progress against the project schedule.