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TUNGSTEN MINING

Half Year Financial Report
31 December 2023

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Corporate directory

Board of directors:
Gary Lyons (Non-executive Chairman)
Tan Sri Dato' Tien Seng Law (Non-executive Deputy Chairman)
Chew Wai Chuen (Non-executive Director)
Kong Leng (Jimmy) Lee (Non-executive Director)
Teck Siong Wong (Executive Director)
Russell Clark (Non-executive Director)
Wai Cheong Law (Alternate Director)

Chief executive officer:
Teck Siong Wong

Company Secretary:
Sonu Cheema

Principal and registered office:
Level 4, 46 Colin Street
West Perth WA 6005

Telephone: +61 8 9486 8492
Facsimile: +61 8 6117 4039
Email: info@tungstenmining.com
Website: www.tungstenmining.com

Postal address:
PO Box 452
West Perth WA 6872

Issued capital as at 31 December 2023:
Fully paid ordinary shares: 786,414,272

Stock exchange:
Australian Securities Exchange Limited

ASX company code:
TGN

Auditors:
Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005
Telephone: +61 8 9481 3188
Facsimile: +61 8 9321 1204

Bankers:
National Australia Bank Limited
Level 14, 100 St Georges Terrace
Perth WA 6000

Share registry:
Automic Group
Level5, 191 St Georges Terrace
Perth, WA 6000
Telephone: +61 2 8072 1400

Solicitors:
DLA Piper
Level 21,
240 St Georges Terrace
Perth WA 6000
Telephone: +61 8 6467 6000
Facsimile: +61 8 6467 6001

ABN:
67 152 084 403

Parent entity:
Tungsten Mining NL

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Directors' Report

Your Directors submit their report for Tungsten Mining NL ('the Company' or 'the Parent') and its controlled entities ("the Group"), being the Company and its controlled entities, for the half year ended 31 December 2023.

Directors

The names of the Company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Gary Lyons	Non-executive Chairman
Tan Sri Dato' Tien Seng Law	Non-executive Deputy Chairman
Kong Leng (Jimmy) Lee	Non-executive Director
Chew Wai Chuen	Non-executive Director
Teck Siong Wong	Executive Director& Interim Chief Executive Officer
Russell Clark	Non-executive Director
Wai Cheong Law	Alternate Director

Company Secretary

Sonu Cheema

Dividends

No amounts have been paid or declared by way of dividend by the Company during the half year or in the period to the date of this report.

Principal activities

The principal activity of the Company and its subsidiaries during the course of the half year continued to be the exploration and evaluation of mining projects.

Operating results

The Group's cash position as at 31 December 2023 was $9,406,314 (Jun 2023: $12,398,737). During the period net cash flow used in operating activities was $2,850,783 (Dec 2022: $1,839,162).

The net loss of the Group for the half year to 31 December 2023 was $2,824,908 (Dec 2022: $1,852,938), which included exploration expenses of $1,663,177 (Dec 2022: $612,569).

Review of operations

During the half-year, the Group continued the development at the Mt Mulgine Project:

- Results received from 50 RC holes, which were completed in early July identified significant tungsten-molybdenum mineralisation at Mulgine Hill North, Mulgine Hill East and beneath the Mulgine Hill Mineral Resource.
- Infill RC drilling at Mulgine Hill East defined significant molybdenum-tungsten mineralisation over 520 metres of strike.
- First-pass drilling at Mulgine Hill North defined significant molybdenum-tungsten mineralisation over 320 metres of strike.

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Directors' Report

Review of operations (cont'd)

- RC holes drilled beneath Mulgine Hill deposit intersected significant zones of high-grade tungsten-molybdenum mineralisation beneath the 2019 Mineral Resource estimate.
- Positive testwork results received for Mount Mulgine, indicating strong amenability to spiral concentration. Detailed downstream testwork to follow.
- Progressing Environmental approvals stream with completion of seasonal fauna survey and regional vegetation surveys.
- Project engagement with potential partners progressing.

Events subsequent to balance date

There have been no other matters or circumstances that have arisen since 31 December 2023 that have significantly affected or may significantly affect:

(a) the Group's operations in future years; or
(b) the results of those operations in future years; or
(c) the Group's state of affairs in future years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 15.

Signed in accordance with a resolution of the Directors.

Gary Lyons
Chairman
Perth, 5 March 2024

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Consolidated statement of profit or loss and other comprehensive income

For the half year ended 31 December 2023

		Consolidated	
		December 2023	December 2022
	Note	$	$
Revenue			
Interest		247,989	168,858
Other		876	-
Total revenue		**248,865**	**168,858**
Expenses			
Depreciation and amortisation expenses		(219,563)	(155,392)
Administration expenses		(520,731)	(425,540)
Exploration expenses		(1,663,177)	(612,569)
Remuneration expenses		(670,302)	(828,295)
(Loss) before income tax		**(2,824,908)**	**(1,852,938)**
Income tax expense/benefit		-	-
(Loss) for the period		**(2,824,908)**	**(1,852,938)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income after tax		-	-
Total comprehensive (loss)for the period after tax		**(2,824,908)**	**(1,852,938)**
(Loss) attributable to members of the Parent		(2,824,908)	(1,852,938)
Total comprehensive (loss) attributable to members of the Parent		(2,824,908)	(1,852,938)
Basic loss per share in cents		(0.36)	(0.24)

Diluted loss per share is not shown as it would not reflect an inferior position.

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

As at 31 December 2023

		Consolidated	
		December 2023	June 2023
	Note	$	$
Current assets			
Cash and cash equivalents	3	9,406,314	12,398,737
Trade and other receivables	4	134,041	93,361
Other assets		411,036	332,293
Total current assets		**9,951,391**	**12,824,391**
Non-current assets			
Exploration and evaluation	5	19,707,196	19,707,196
Plant and equipment	6	1,646,739	1,742,261
Right of use assets		712,506	789,952
Total non-current assets		**22,066,441**	**22,239,409**
Total assets		**32,017,832**	**35,063,800**
Current liabilities			
Trade and other payables	7	886,800	1,143,360
Lease liabilities		147,879	201,848
Provisions	8	109,177	88,786
Total current liabilities		**1,143,856**	**1,433,994**
Non-current liabilities			
Lease liabilities		579,568	620,414
Provisions	8	630,843	520,919
Total non-current liabilities		**1,210,411**	**1,141,333**
Total liabilities		**2,354,267**	**2,575,327**
Net assets		**29,663,565**	**32,488,473**
Equity			
Issued capital	9	82,460,127	82,460,127
Reserves	10	7,851,718	7,851,718
Accumulated losses		(60,648,280)	(57,823,372)
Total equity		**29,663,565**	**32,488,473**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

For the half year ended 31 December 2023

	Issued Capital	Reserves	Accumulated Losses	Total
	$	$	$	$
At 1 July 2022	82,460,127	7,851,718	(54,888,760)	35,423,085
Loss for the period	-	-	(1,852,938)	(1,852,938)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**(1,852,938)**	**(1,852,938)**
At 31 December 2022	**82,460,127**	**7,851,718**	**(56,741,698)**	**33,570,147**
At 1 July 2023	82,460,127	7,851,718	(57,823,372)	32,488,473
Loss for the period	-	-	(2,824,908)	(2,824,908)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	(2,824,908)	(2,824,908)
At 31 December 2023	**82,460,127**	**7,851,718**	**(60,648,280)**	**29,663,565**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

For the half year ended 31 December 2023

		Consolidated	
		December 2023	December 2022
	Note	$	$
Cash flows from operating activities			
Payments to suppliers and employees		(1,233,353)	(1,412,859)
Payments for exploration and evaluation expenditure		(1,869,338)	(568,624)
Interest received		251,908	142,321
Net cash (used in) operating activities		**(2,850,783)**	**(1,839,162)**
Cash flows from investing activities			
Payments for property, plant & equipment	6	(6,114)	(9,139)
Net cash (used in) investing activities		**(6,114)**	**(9,139)**
Cash flows from financing activities			
Lease payments		(135,526)	(160,917)
Net cash (used in) financing activities		**(135,526)**	**(160,917)**
Net (decrease) in cash and cash equivalents		(2,992,423)	(2,009,218)
Cash and cash equivalents at the beginning of the period		12,398,737	14,630,799
Cash and cash equivalents at the end of the period		**9,406,314**	**12,621,581**

The above statement should be read in conjunction with the accompanying notes.

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Condensed notes to the consolidated financial statements

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEARLY FINANCIAL REPORT

The consolidated financial report is a general purpose condensed financial report for the half-year ended 31 December 2023, which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001 and this financial report was authorised for issue in accordance with a resolution of the directors on 5 March 2024.

It is recommended that the half-year consolidated financial statements be read in conjunction with the annual financial report for the year ended 30 June 2023 and considered with any public announcements made by Tungsten Mining NL during and subsequent to the half-year ended 31 December 2023 in accordance with continuous disclosure obligations of the *ASX Listing Rules*.

The half-year consolidated financial statements do not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full and understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year consolidated financial statements have been prepared on the basis of accrual accounting and historical costs.

Changes in accounting standards

The Group has considered the implications of new and amended Accounting Standards effective for annual reporting periods beginning on or after 1 July 2023 but determined that their application to the financial statements is either not relevant or not material.

NOTE 2: SEGMENT REPORTING

The Group has based its operating segments on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

The Group currently does not have production and is only involved in exploration. As a consequence, activities in the operating segment are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of the manager and country of expenditure. Information is reviewed on a whole of entity basis.

Based on these criteria the Group has only one operating segment, being exploration, and the segment operations and results are reported internally based on the accounting policies as described in the annual financial report for the year ended 30 June 2023 on a whole of entity basis.

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Condensed notes to the consolidated financial statements

NOTE 3: CASH AND CASH EQUIVALENTS

	Consolidated	
	December 2023	June 2023
	$	$
Cash at bank	719,397	1,301,790
Term deposits	8,686,917	11,096,947
	9,406,314	12,398,737

Nature of cash and cash equivalents

Cash and cash equivalents earn interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

NOTE 4: TRADE & OTHER RECEIVABLES

	Consolidated	
	December 2023	June 2023
	$	$
GST receivable	33,240	26,279
Interest receivable	55,616	59,535
Other receivables	45,185	7,547
	134,041	93,361

Nature of trade receivables

This balance includes $29,652 due from associate entity GWR Group Limited for the recoupment of certain occupancy costs and staff recharges.

NOTE 5: EXPLORATION AND EVALUATION

	Consolidated	
	December 2023	June 2023
	$	$
Capitalised exploration and evaluation	19,707,196	19,707,196
	19,707,196	19,707,196

Mineral acquisition costs

The Group capitalises the acquisition costs in accordance with its accounting policy for exploration and evaluation expenditure. The ultimate recoupment of acquisition costs carried forward in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas. There was no movement in capitalised exploration and evaluation during the period.

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Condensed notes to the consolidated financial statements

NOTE 6: PLANT AND EQUIPMENT

	Consolidated	
	December 2023	June 2023
	$	$
Plant and equipment	1,646,739	1,742,261
	1,646,739	1,742,261

The following table illustrates the movement in carrying value of plant and equipment.

	Processing Plant	Office Equipment	Exploration Equipment	Computer Software	Total
	$	$	$	$	$
Opening net carrying value	1,482,340	23,172	236,749	-	1,742,261
Cost of additions	-	6,114	-	-	6,114
Depreciation charge	(77,942)	(8,905)	(14,789)	-	(101,636)
Closing net carrying value	1,404,398	20,381	221,960	-	1,646,739

Nature of Processing Plant
The processing plant above includes a dismantled mineral processing facility and an unused x-ray ore sorter, including spare parts that were acquired in prior financial years. The mineral processing facility is depreciated over its remaining useful life of 10 years. The x-ray ore sorter is depreciated over its remaining useful life of 11 years.

NOTE 7: TRADE AND OTHER PAYABLES

	Consolidated	
	December 2023	June 2023
	$	$
Trade payables	487,442	275,165
Accrued expenses	360,835	735,031
Other payables	38,523	133,164
	886,800	1,143,360

Nature of trade and other payables

These unsecured payables are non-interest bearing and are generally on 30-90 days terms. Due to the short term nature of these payables, the carrying value is assumed to approximate their fair value.

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Condensed notes to the consolidated financial statements

NOTE 8: PROVISIONS

	Consolidated	
		June 2023
	$	$
Current		
Provision for rehabilitation	32,000	32,000
Provision for employee annual leave	58,348	38,646
Provision for employee long service leave	18,829	18,140
	109,177	88,786
Non-current		
Provision for rehabilitation	617,200	510,000
Provision for employee long service leave	13,643	10,919
	630,843	520,919
Total Provisions	740,020	609,705

Provision for rehabilitation
The non-current provision for rehabilitation includes an amount of $400,000 which was assumed in prior financial years as part of the Watershed acquisition. The provision for rehabilitation has been revised to $507,201 as at 31 December 2023.

NOTE 9: ISSUED CAPITAL

	Consolidated	
	December 2023	June 2023
	$	$
Ordinary shares fully paid	82,460,127	82,460,127
	82,460,127	82,460,127

The following table illustrates the movement in ordinary shares

	$	Number
Balance at the beginning of period	82,460,127	786,414,272
Movement during the period	-	-
Balance at the end of period	82,460,127	786,414,272

NOTE 10: RESERVES

	Consolidated	
	December 2023	June 2023
	$	$
Share option reserve	855,398	855,398
Loan-funded share scheme reserve	6,996,320	6,996,320
	7,851,718	7,851,718

Vested and exercisable options

There were no options issued or exercised during the period and there were no outstanding options on issue at period end.

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Condensed notes to the consolidated financial statements

NOTE 11: CONTROLLED ENTITIES

Tungsten Mining NL is the ultimate parent entity of the consolidated group. The following were controlled entities at period end and have been included in the consolidated financial statements. All shares held are ordinary shares.

Subsidiaries	Country of Incorporation	Percentage Interest Held 31 Dec 2023	Percentage Interest Held 30 Jun 2023	Date Acquired/ Incorporated
SM3-W Pty Ltd	Australia	100	100	13/12/2012
Pilbara Tungsten Pty Ltd	Australia	100	100	30/11/2015
Mid-West Tungsten Pty Ltd	Australia	100	100	30/11/2015
North Queensland Tungsten Pty Ltd	Australia	100	100	09/08/2018
Territory Tungsten Pty Ltd	Australia	100	100	01/03/2019

NOTE 12: CONTINGENT LIABILITIES

The Group is not aware of any significant contingencies that existed at balance date.

NOTE 13: EVENTS SUBSEQUENT TO BALANCE DATE

There have been no matters or circumstances that have arisen since 31 December 2023 to the date of this report that have significantly affected or may significantly affect:

(a) the group's operations in future years; or
(b) the results of those operations in future years; or
(c) the group's state of affairs in future years.

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Directors' Declaration

In accordance with a resolution of the directors of Tungsten Mining NL, I state that:

In the opinion of the Directors:

(a) The financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:

i. Giving a true and fair view of the financial position as at 31 December 2023 and the performance for the half-year ended on that date of the Group; and

ii. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

(b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board,

Gary Lyons
Chairman
Perth, 5 March 2024

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5 March 2024

Board of Directors
Tungsten Mining NL
Level 4, 46 Colin Street
West Perth WA 6005

Dear Sirs

RE: TUNGSTEN MINING NL

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Tungsten Mining NL.

As Audit Director for the review of the financial statements of Tungsten Mining NL for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Samir Tirodkar
Director

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
TUNGSTEN MINING NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Tungsten Mining NL ("the Company") and its subsidiaries ("the Group" or "the consolidated entity"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the accompanying half-year financial report of Tungsten Mining NL does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 5 March 2024.

Responsibility of the Directors for the Financial Report

The directors of Tungsten Mining NL are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Stantons

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director

West Perth, Western Australia
5 March 2024

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