

ASX Announcement

NON RENOUNCEABLE ENTITLEMENT ISSUE

Emerging Australian tungsten development company, Tungsten Mining NL (ASX:TGN) ("**Tungsten Mining**" or "the **Company**"), is pleased to announce that it will be offering eligible shareholders the opportunity to acquire additional fully paid Ordinary shares in the capital of the Company through a 1-for-3 non-renounceable Entitlement Issue at 10 cents per share, to raise up to approximately \$13.5 million ("the Offer").

Background information and information about the use of proceeds from the Offer

Tungsten Mining has made substantial progress in the proposed development of the Mt Mulgine Tungsten Project. As outlined in the 2017 Annual Report, the past financial year has seen development activities continue apace, with drilling and metallurgical test work programs successfully completed. In addition your Company has substantially advanced mining studies, environmental surveys and referrals, research and development on oxide material and a range of other technical and commercial activities.

Recently the Company announced that the major environmental referrals for the project have been successfully navigated. In late July it was confidence in the project and prospects for a continued improvement in the tungsten market that prompted the Company to contract to purchase from Pilbara Minerals Limited the near new modular heavy mineral processing plant. Completion of this purchase occurred last week.

The decision to purchase the modular processing plant has allowed the Company to accelerate project development activities at a time when prices have dramatically improved, whilst materially reducing the capital expenditure required to commence production. Significantly, tungsten prices have substantially improved in recent months and based on prices last week, had improved by over 60% compared with a year ago.

Funds raised by the Offer will be used to complete pilot plant test work, geotechnical and sterilisation drilling, detailed engineering and other components of the definitive feasibility study for the Mt Mulgine Tungsten Project. It is anticipated that funds will also be used to secure and meet milestone payments on long lead items and other items of equipment, undertake preliminary earthworks and mining activities (upon receipt of all operating licenses and permits) and for general working capital.

Eligible Shareholders

Shareholders with registered addresses in Australia, New Zealand, Malaysia, Hong Kong or Singapore who hold Ordinary shares in the Company (Existing Shares) as at 5.00pm AWST on 16 October 2017 (Eligible Shareholders) will be entitled to participate in the Offer.

All Eligible Shareholders will be offered 1 new Ordinary share in the Company (New Share) for every 3 Existing Shares held by the Eligible Shareholder, at an issue price of \$0.10 per New Share.

The Company will give existing shareholders the opportunity to apply for additional shares over and above their entitlements, details of which will be set out in the Prospectus.

Key Terms

Nature of offer	Non-renounceable Entitlement Issue of new shares
New share issue price	\$0.10 per new share
Offer ratio	1 new share for every 3 existing shares held on the record date.
Number of new shares to be issued	135,034,277 new shares*
Amount to be raised under the Entitlement Issue	approximately \$13.5 million before costs of the Offer

* *Subject to rounding of Entitlements.*

Key Dates

Key dates for the Offer are set out in the following table. The dates are indicative only and Tungsten Mining reserves the right to vary them, subject to the Corporations Act 2001 (Act) and the ASX Listing Rules.

Issue Announcement lodge with ASX together with Appendix 3B	2/10/17
Lodge Prospectus with ASIC and ASX	9/10/17
Notice of rights issue to security holders	12/10/17
Securities quoted on "ex" basis.	13/10/17
Record Date for determining entitlements	16/10/17
Despatch of Prospectus & Entitlement & Acceptance Forms	18/10/17
Closing Date for Acceptances	3/11/17
Deferred Settlement Trading commences	6/11/17
Notify ASX of under subscriptions	8/11/17
Issue Shares and despatch holding statements.	10/11/17

Enclosure

The attached Appendix 3B sets out further relevant information pertaining to the Offer. A Prospectus will be lodged with ASIC and ASX in due course.

- Ends -

For further information contact:

Craig Ferrier Chief Executive Officer Tel: +61 9486 8492
Mark Pitts Company Secretary Tel: +61 9316 9100

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Tungsten Mining NL

ABN

67 152 084 403

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 135,034,277 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities? If the additional ⁺securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes the shares to be issued will rank equally with other ordinary shares on issue.
5 Issue price or consideration	\$0.10
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Shares to be issued pursuant to a non-renounceable pro-rata entitlement issue prospectus to be issued.
6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b The date the security holder resolution under rule 7.1A was passed	29 November 2016
6c Number of ⁺securities issued without security holder approval under rule 7.1	Nil
6d Number of ⁺securities issued with security holder approval under rule 7.1A	Nil
6e Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

⁺ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	135,034,277				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	56,452,925 equity securities under LR 7.1 40,135,283 equity securities under LR 7.1A				
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	10 November 2017				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>540,137,109</td><td>Fully paid ordinary shares. (Assuming all entitlements are taken up)</td></tr></table>	Number	+Class	540,137,109	Fully paid ordinary shares. (Assuming all entitlements are taken up)
Number	+Class					
540,137,109	Fully paid ordinary shares. (Assuming all entitlements are taken up)					

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	60,039,407	Unlisted options exercisable at \$0.04, expiring on 31 December 2019
	16,000,000	Unlisted Director Options: a) 3,200,000 unlisted options vested on grant, exercisable at \$0.04, expiring 23 December 2020, b) 3,200,000 unlisted options, vesting 23 December 2017, exercisable at \$0.05, expiring 20 December 2020, c) 9,600,000 unlisted options, vesting 23 December 2018, exercisable at \$0.06, expiring 20 December 2020.
	9,250,000	Unlisted Employee Options: a) 1,850,000 unlisted options vested on grant, exercisable at \$0.04, expiring 6 February 2021. b) 1,850,000 unlisted options will vest on achievement of certain Key Performance Indicators and will have an exercise price of \$0.05, expiring 6 February 2021. c) 5,550,000 unlisted options will vest on achievement of certain Key Performance Indicators and will have an exercise price of \$0.06, expiring 6 February 2021.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable

+ See chapter 19 for defined terms.

13	Ratio in which the ⁺ securities will be offered	1 new share for every 3 shares held
14	⁺ Class of ⁺ securities to which the offer relates	Listed ordinary shares
15	⁺ Record date to determine entitlements	16 October 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Any fraction will be rounded up to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries with the exception of Australia, New Zealand, Hong Kong, Malaysia and Singapore
19	Closing date for receipt of acceptances or renunciations	3 November 2017

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	No
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	18 October 2017
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	2 October 2017
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	10 November 2017

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Company Secretary)

Date: 2 October 2017

Print name: MARK PITTS

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	263,652,708
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	131,826,354 ordinary shares pursuant to the non-renounceable entitlement issue 5,873,770 ordinary shares issued on exercise of unlisted options in accordance with the terms of the prospectus for a non-renounceable entitlement issue that was announced to the market on 11 December 2016
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	401,352,832

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	60,202,925
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	3,750,000 issued as part consideration to Pilbara Minerals Limited for the acquisition of a modular processing plant announced to the ASX on 21 July 2017
“C”	3,750,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	60,202,925
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	3,750,000
Total [“A” x 0.15] – “C”	56,452,925 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	401,352,832
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	40,135,283
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	
“E”	-

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	40,135,283
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.10] – “E”	40,135,283 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.