

16 July 2018

## ASX Announcement

# Mt Mulgine Tungsten Project Update

## Highlights

- Mt Mulgine Tungsten Project remains on track to produce tungsten concentrate in Q1 2019;
- Key approvals documents to permit the commencement of mining and tungsten processing activities, the Mining Proposal and Works Approval, have been submitted to the Western Australian Government;
- Process design and engineering activities for the Mt Mulgine processing plant are well advanced with the Company together with its cost consultants now reviewing a formal EPC lump sum proposal to deliver the project;
- Procurement activities for long lead items are underway to preserve the project schedule
- Global tungsten prices are at 4 year highs with APT Price recently breaking through US\$350/MTU further enhanced by current foreign exchange rates (~A\$473/MTU);

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Australian tungsten development company, Tungsten Mining NL (ASX:TGN) (Tungsten Mining or the Company), is pleased to advise that the Company continues to deliver on its development plan of producing tungsten concentrate from Mt Mulgine in early 2019.

### Key Approvals Lodged

The Company submitted its Mining Proposal to the Department of Mines, Industry Regulation and Safety (DMIRS) on 13 July 2018. In addition, the Company has also submitted its Works Approval to the Department of Water and Environmental Regulation (DWER). These are the critical permits required for the conduct of the Company's mining and mineral processing activities at Mt Mulgine.

The Mining Proposal is a document containing detailed information on identification, evaluation and management of significant environmental impacts relevant to the proposed mining operations, as a requirement under Division 2 of Part IV of the Mining Act (1978)

DWER regulates industrial emissions and discharges to the environment through a works approval and licensing process, pursuant to Part V of the Environmental Protection Act 1986.

A substantial body of work has been completed to enable these detailed submissions to be completed. The Company is grateful for the efforts of its project team and the many skilled consultants that have contributed to this work. The Company anticipates receipt of the relevant approvals in the September and December quarters.

### Process Design and Engineering

Tungsten Mining has continued to advance process design and engineering activities by engaging with WA based engineering firms, culminating in the receipt of a proposal for the engineering, procurement and construction of the Mt Mulgine tungsten processing plant by way of an EPC lump sum contract. The proposal is now subject to a formal review and assessment process by Company management and its cost consultants and quantity surveyors.

The process design work has resulted in an agreed mechanical equipment list which has identified long lead items – being key equipment items that have supply and delivery times of +26 weeks. Procurement activities have commenced to secure critical long lead items to protect and preserve the project schedule.

## Global Tungsten Prices

Global tungsten prices (by reference to price quotations for European ammonium paratungstate – APT) have reached four year highs in recent weeks with the price average APT reported for the month of June at US\$347.20-352.20. The strength in global tungsten prices are further enhanced in by current foreign exchange rates resulting in an Australian dollar denominated APT price of circa A\$473.

The Company will update the market with further progress of the matters outlined above.

**ENDS**

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## 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<sub>4</sub>) and scheelite (CaWO<sub>4</sub>).

Tungsten has the highest melting point of all elements except carbon – around 3400°C 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.