

# Quarterly Report – March 2015

## Highlights

### Kilba Project, Ashburton Region, Western Australia

#### Mineral Resource Update

- On 30 January 2015 Tungsten Mining released its updated Indicated and Inferred Mineral Resource estimate for the Kilba Project, comprising an Indicated Resource of 4.1 million tonnes at 0.25% WO<sub>3</sub> and an Inferred Resource of 0.83 million tonnes at 0.20% WO<sub>3</sub> for a total of **5.0 million tonnes at 0.24% WO<sub>3</sub>** at Zones 8, 11 and 12 (Refer to Table 1). Infill drilling completed in the second half of 2014 has improved the confidence level to 86% of contained metal falling within the Indicated category.
- There has been a 50% increase in contained metal at Zone 8. Future drilling to be directed at extending the resource to the west.

#### Metallurgical Test Work

- Metallurgical test work has produced a 53% WO<sub>3</sub> concentrate at a yield of 38% via simple gravity techniques.
- Recent flotation tests have confirmed that 91% of WO<sub>3</sub> contained in the middlings have been recovered, increasing WO<sub>3</sub> yield (gravity and flotation combined) to above 75%. Yield is expected to increase further with completion of test work on gravity tailings.
- Work continues on float optimisation to improve concentrate yields and grades.

#### Studies

- Work is progressing on mining studies including pit optimisations following the update of the geological block model.

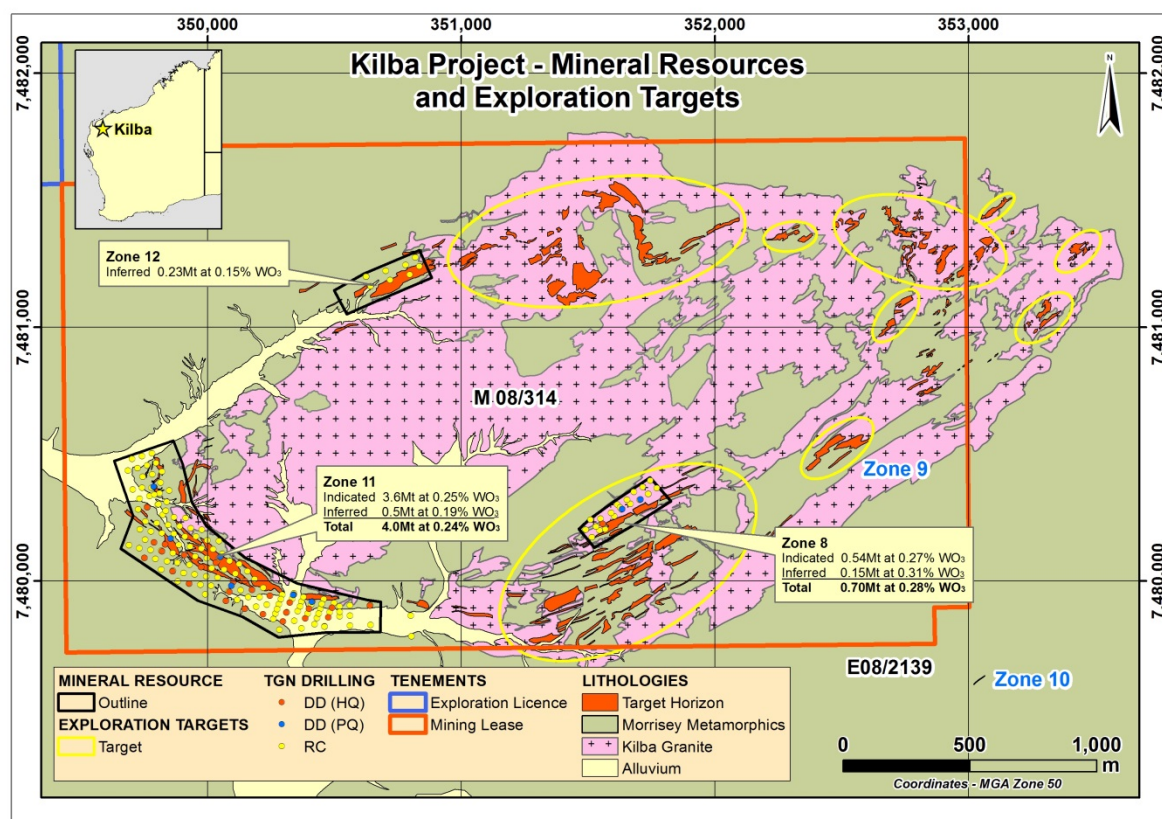
#### Corporate

- Mr Gary Lyons appointed Non-executive Chairman with the retirement of founding director and non-executive chairman Mr Patrick McManus. Mr David Sanders resigned as a director with effect from 31 March 2015.

## Kilba Project

Tungsten Mining NL (ASX:TGN) ("the Company") is pleased to report on progress at the Kilba Project in the Ashburton Region of Western Australia. As reported in the last quarter, drilling completed in the second half of 2014 continued to intersect significant high-grade tungsten mineralisation. To date TGN has drilled a total of 37 diamond holes and 158 RC holes for 17,172 metres on the 100% owned and granted Mining Lease 08/314 at the Kilba Project (Figure 1).

Figure 1 – plan displaying location of recent drilling at the Kilba Project



Tungsten Mining's recent activities have focused on Zones 8, 11 and 12 where previous drilling in the 1970s/1980s by Union Carbide Corporation intersected high-grade tungsten mineralisation. Recent exploration has identified strike extensions to the mineralised horizon east of Zone 12 and these will be investigated further.

In May 2013, the Company announced a Maiden Indicated and Inferred Mineral Resource at Zone 8 and Zone 11 of the Kilba project (ASX announcement; 31 May 2013). In August 2014, the Company commenced a phased drilling program with the objective of increasing the confidence level of the Kilba Mineral Resource at Zones 8 and 11 to an Indicated status in support of future detailed feasibility studies. Phase 1 drilling confirmed continuity of high-grade zones at Zone 8 and Zone 11 and Phase 2 drilling completed during the December quarter infilled sections to a 40 metre spacing over the May 2013 Mineral Resource.

## Mineral Resource Update

During January 2015, the Company announced an updated JORC 2012 Indicated and Inferred Mineral Resource of 5.0 million tonnes at 0.24% WO<sub>3</sub> at Zones 8, 11 and 12 of the Kilba Project (Refer to Table 1). The Mineral Resource estimate has been completed by CSA Global Pty Ltd in accordance with the guidelines of the Joint Ore Reserve Committee (JORC) Code – 2012 Edition (refer to ASX announcement; 30 January 2015).

**Table 1: Kilba Mineral Resource estimate based on a 0.10% WO<sub>3</sub> cut-off grade**

| Prospect     | Class        | Tonnes<br>'000 t | WO <sub>3</sub><br>% | WO <sub>3</sub><br>t |
|--------------|--------------|------------------|----------------------|----------------------|
| Zone 8       | Indicated    | 540              | 0.27                 | 1,500                |
|              | Inferred     | 150              | 0.31                 | 500                  |
|              | <b>Total</b> | <b>700</b>       | <b>0.28</b>          | <b>1,900</b>         |
| Zone 11      | Indicated    | 3,600            | 0.25                 | 9,000                |
|              | Inferred     | 460              | 0.19                 | 900                  |
|              | <b>Total</b> | <b>4,000</b>     | <b>0.24</b>          | <b>9,800</b>         |
| Zone 12      | Inferred     | 230              | 0.15                 | 400                  |
|              | <b>Total</b> | <b>230</b>       | <b>0.15</b>          | <b>400</b>           |
| <b>Total</b> | Indicated    | 4,100            | 0.25                 | 10,400               |
|              | Inferred     | 830              | 0.20                 | 1,700                |
|              | <b>Total</b> | <b>5,000</b>     | <b>0.24</b>          | <b>12,100</b>        |

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

Mineralisation was interpreted in 3D and 0.025% WO<sub>3</sub> grade envelopes defined. Hard boundaries between the grade envelopes were used to select sample populations for grade estimation by Multiple Indicator Kriging (MIK). The block model was constructed using a 20mE x 10mN x 10mRL parent block size, with subcelling to 2mE x 1mN x 1mRL for domain volume resolution. The search radii were determined by means of the evaluation of the semi variogram parameters, which determined the kriging weights to be applied to samples at specified distances.

No grade cutting was applied as MIK was used for the grade interpolation. The median grade was used for the last bin defined for MIK, as this bin is likely to contain occasional very high values giving a more conservative value for positively skewed data than the mean.

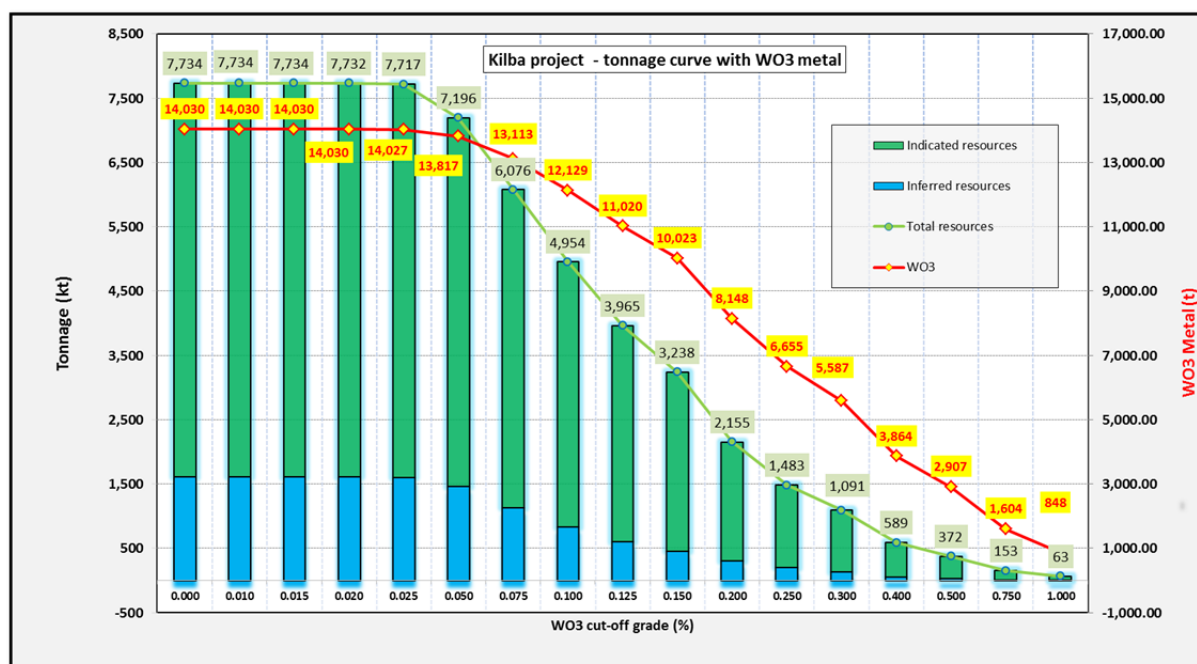
A range of lower cut-offs have been used to report grades and tonnages, as shown in Table 2 and Figure 2. This demonstrates that within the overall Resource there are significant high-grade zones of tungsten mineralisation.

**Table 2: Breakdown of Kilba Mineral Resource estimate at different cut-off grades**

| Cut Off<br>WO <sub>3</sub> (%) | Zone         | Class        | Volume       | Tonnes<br>'000 t | WO <sub>3</sub><br>% | WO <sub>3</sub><br>t |
|--------------------------------|--------------|--------------|--------------|------------------|----------------------|----------------------|
| 0.050                          | 8            | Indicated    | 220          | 630              | 0.24                 | 1,500                |
|                                |              | Inferred     | 60           | 170              | 0.28                 | 490                  |
|                                |              | <b>Total</b> | <b>280</b>   | <b>800</b>       | <b>0.25</b>          | <b>2,000</b>         |
|                                | 11           | Indicated    | 1,800        | 5,100            | 0.20                 | 10,100               |
|                                |              | Inferred     | 250          | 730              | 0.15                 | 1,100                |
|                                |              | <b>Total</b> | <b>2,000</b> | <b>5,800</b>     | <b>0.19</b>          | <b>11,200</b>        |
|                                | 12           | Inferred     | 190          | 560              | 0.11                 | 600                  |
|                                |              | <b>Total</b> | <b>190</b>   | <b>560</b>       | <b>0.11</b>          | <b>600</b>           |
|                                | <b>Total</b> | Indicated    | 2,000        | 5,700            | 0.20                 | 11,600               |
|                                |              | Inferred     | 500          | 1,460            | 0.15                 | 2,200                |
|                                |              | <b>Total</b> | <b>2,500</b> | <b>7,200</b>     | <b>0.19</b>          | <b>14,000</b>        |
| 0.100                          | 8            | Indicated    | 190          | 540              | 0.27                 | 1,460                |
|                                |              | Inferred     | 52           | 150              | 0.31                 | 470                  |
|                                |              | <b>Total</b> | <b>240</b>   | <b>700</b>       | <b>0.28</b>          | <b>1,900</b>         |
|                                | 11           | Indicated    | 1,200        | 3,600            | 0.25                 | 9,000                |
|                                |              | Inferred     | 160          | 460              | 0.19                 | 890                  |
|                                |              | <b>Total</b> | <b>1,400</b> | <b>4,000</b>     | <b>0.24</b>          | <b>9,800</b>         |
|                                | 12           | Inferred     | 78           | 230              | 0.15                 | 350                  |
|                                |              | <b>Total</b> | <b>78</b>    | <b>230</b>       | <b>0.15</b>          | <b>350</b>           |
|                                | <b>Total</b> | Indicated    | 1,400        | 4,100            | 0.25                 | 10,000               |
|                                |              | Inferred     | 290          | 830              | 0.20                 | 1,700                |
|                                |              | <b>Total</b> | <b>1,700</b> | <b>5,000</b>     | <b>0.24</b>          | <b>12,000</b>        |
| 0.200                          | 8            | Indicated    | 100          | 300              | 0.37                 | 1,100                |
|                                |              | Inferred     | 35           | 100              | 0.40                 | 400                  |
|                                |              | <b>Total</b> | <b>140</b>   | <b>400</b>       | <b>0.38</b>          | <b>1,500</b>         |
|                                | 11           | Indicated    | 540          | 1,600            | 0.39                 | 6,100                |
|                                |              | Inferred     | 55           | 160              | 0.30                 | 470                  |
|                                |              | <b>Total</b> | <b>590</b>   | <b>1,700</b>     | <b>0.38</b>          | <b>6,500</b>         |
|                                | 12           | Inferred     | 14           | 42               | 0.26                 | 110                  |
|                                |              | <b>Total</b> | <b>14</b>    | <b>42</b>        | <b>0.26</b>          | <b>110</b>           |
|                                | <b>Total</b> | Indicated    | 640          | 1,900            | 0.39                 | 7,200                |
|                                |              | Inferred     | 100          | 300              | 0.32                 | 980                  |
|                                |              | <b>Total</b> | <b>740</b>   | <b>2,200</b>     | <b>0.38</b>          | <b>8,100</b>         |
| 0.300                          | 8            | Indicated    | 58           | 170              | 0.47                 | 780                  |
|                                |              | Inferred     | 22           | 65               | 0.48                 | 310                  |
|                                |              | <b>Total</b> | <b>80</b>    | <b>230</b>       | <b>0.47</b>          | <b>1,100</b>         |
|                                | 11           | Indicated    | 270          | 790              | 0.54                 | 4,200                |
|                                |              | Inferred     | 20           | 59               | 0.38                 | 220                  |
|                                |              | <b>Total</b> | <b>290</b>   | <b>850</b>       | <b>0.53</b>          | <b>4,500</b>         |
|                                | 12           | Inferred     | 4            | 13               | 0.34                 | 43                   |
|                                |              | <b>Total</b> | <b>4</b>     | <b>13</b>        | <b>0.34</b>          | <b>43</b>            |
|                                | <b>Total</b> | Indicated    | 330          | 960              | 0.52                 | 5,000                |
|                                |              | Inferred     | 47           | 140              | 0.42                 | 580                  |
|                                |              | <b>Total</b> | <b>380</b>   | <b>1,090</b>     | <b>0.51</b>          | <b>5,600</b>         |
| 0.500                          | 8            | Indicated    | 15           | 45               | 0.74                 | 330                  |
|                                |              | Inferred     | 8            | 23               | 0.67                 | 150                  |
|                                |              | <b>Total</b> | <b>23</b>    | <b>67</b>        | <b>0.71</b>          | <b>480</b>           |
|                                | 11           | Indicated    | 100          | 300              | 0.80                 | 2,400                |
|                                |              | Inferred     | 2            | 5                | 0.62                 | 30                   |
|                                |              | <b>Total</b> | <b>100</b>   | <b>310</b>       | <b>0.80</b>          | <b>2,400</b>         |
|                                | <b>Total</b> | Indicated    | 120          | 340              | 0.79                 | 2,700                |
|                                |              | Inferred     | 10           | 27               | 0.66                 | 180                  |
|                                |              | <b>Total</b> | <b>130</b>   | <b>370</b>       | <b>0.78</b>          | <b>2,900</b>         |

*Note: Totals may differ from sum of individual numbers as numbers have been rounded to two significant figures in accordance with the Australian JORC code 2012 guidance on Mineral Resource. No grade cutting was applied, because MIK was used for the grade interpolation. The last bin defined for MIK is calculated using the median, which gives a more conservative value for positively skewed data than the mean.*

Figure 2 – Grade tonnage curve for January 2015 Mineral Resource for Kilba Project



### Metallurgical Test Work

In 2013, Mintrex Pty Ltd were engaged to oversee preliminary metallurgical test work (phase 1) on one composite from the Kilba Tungsten deposit. 332 kg of PQ core from hole KDD0016 in Zone 11 was supplied from which a 180 kg composite was made. The sample for testing was based on achieving a grade of 0.43% WO<sub>3</sub> – considered, at the time, to be the average ore grade.

Phase 1 test work consisted of standard comminution test work, mineralogy, magnetic characterisation, wet tabling and heavy liquid separation (HLS). The major take away from the test work was that the sample supplied was amenable to gravity separation. Heavy liquid separation (HLS) testing showed that between 84% and 97% of WO<sub>3</sub> was recovered and 50% to 55% of gangue material removed prior to beneficiation, depending upon particle size. For example, for the -5mm +0.045mm sizing, 90.3% of the WO<sub>3</sub> was recovered and 53.9% of the weight rejected as gangue at SG 2.9.

The report identified technical gaps that would require further test work phases.

In October 2014, the Company together with its consultants and Nagrom laboratories designed a Phase 2 test work program to address these gaps. Set out below is a report on the status of the Phase 2 test work program and details of the upcoming work program.

### The Sample

The sample for the Phase 2 test work consisted of “reserve” material from Phase 1 and HQ core from the 2013 drilling program; combined into a single composite to provide enough sample mass to ensure that the entire program could be completed as well as mimic the deposits average grade and mineralogy type.

Table 3 below shows that the composite sample for Phase 2 test work and how it more closely resembles the Kilba deposits average grade compared to the Phase 1 composite, based on the geological model at the time.

**Table 3: Average Grade and Composite Samples**

| Sample ID                | WO <sub>3</sub><br>% | Fe<br>% | CaO<br>% | SiO <sub>2</sub><br>% | S<br>% |
|--------------------------|----------------------|---------|----------|-----------------------|--------|
| Phase 1 sample           | 0.44                 | 2.43    | 28.90    | 35.70                 | 0.04   |
| Phase 2 sample           | 0.27                 | 5.35    | 19.74    | 47.46                 | 0.31   |
| Kilba Deposit<br>Average | 0.27                 | 5.76    | 18.07    | 48.88                 | 0.35   |

1. This represents the Kilba Deposit Average based on the published Resource Estimate for zones 11 and 8 as at the date of preparing the sample – October 2014.

### Test Work Program

The major aims of the Phase 2 program were to;

- Confirm the HLS results in the Phase 1 program with respect to the percentage of gangue removal prior to beneficiation in a continuous DMS pilot plant.
- Confirm the HLS result in the Phase 1 program with respect to the yield of WO<sub>3</sub> in a continuous DMS pilot plant.
- Quantify the deportment of WO<sub>3</sub> and other major components throughout the test work flow sheet.
- Confirm flotation technology as a method of recovering WO<sub>3</sub> and cleaning of concentrate.
- Quantify a final WO<sub>3</sub> concentrate grade and yield.
- Using the results of the test work, develop a conceptual plant design.

### Test Work Results

#### DMS Pilot Plant

Feed material was stage crushed to p100 3.35 mm and screened at 0.3 mm to remove the -0.3 mm material prior to DMS test work. Table 4 below shows the result of the continuous DMS pilot plant rig.

**Table 4: Continuous DMS Pilot Plant Rig Results**

| DMS Pilot Plant @SG 2.8 | Circuit<br>Mass<br>Yield<br>% | Circuit<br>Dist'n<br>WO <sub>3</sub><br>% | WO <sub>3</sub><br>% | S<br>%      | Fe <sub>2</sub> O <sub>3</sub><br>% | SiO <sub>2</sub><br>% | CaO<br>%     |
|-------------------------|-------------------------------|---|----------------------|-------------|-------------------------------------|-----------------------|--------------|
| Concentrate             | 58.10                         | 53.20                                     | 0.35                 | 0.30        | 6.46                                | 47.40                 | 19.19        |
| Tailings                | 18.60                         | 1.20                                      | 0.03                 | 0.09        | 2.30                                | 62.42                 | 11.76        |
| calc head               | <b>76.70</b>                  | <b>54.40</b>                              | <b>0.27</b>          | <b>0.25</b> | <b>5.45</b>                         | <b>51.04</b>          | <b>17.39</b> |

As the results show, the DMS pilot plant has removed 18.6% of the total circuit mass as tailings with a loss of only 1.2% of contained WO<sub>3</sub> when adding in the -0.3 mm material removed prior to the DMS test.

Compared with the result of HLS test work in phase 1, the quantity of tailings removed via the DMS pilot plant was much less (18.6% vs 53.9%) at similar SG (2.8 vs 2.9). However, loss of circuit WO<sub>3</sub> via the DMS pilot plant (1.2%) was less than that lost via HLS (9.8%). This in some way reflects the difference in testing a sample on a bench scale vs a continuous test rig. Confirmatory test work is recommended for future test work phases as this will be integral in the design of the processing plant.

#### Wet Tabling

Concentrate from the DMS pilot plant was combined with the -0.3 mm material removed prior to the DMS pilot plant run and hydrocycloned to remove ultrafine contaminants as cyclone overflow.

The cyclone underflow was screened, stage ground and subject to a number of wet tabling/panning stages to maximise the recovery of WO<sub>3</sub> into a concentrate for cleaning via flotation. This included re-tabling of middlings fractions from previous table runs. Table 5 below shows the results of the wet tabling gravity separation.

**Table 5: Wet Table Gravity Separation and Panning Results**

| Wet Table Gravity Separation | Circuit Mass Yield<br>% | Circuit Dist'n WO <sub>3</sub><br>% | WO <sub>3</sub><br>% | S<br>%      | Fe <sub>2</sub> O <sub>3</sub><br>% | SiO <sub>2</sub><br>% | CaO<br>%     |
|------------------------------|-------------------------|-------------------------------------|----------------------|-------------|-------------------------------------|-----------------------|--------------|
| Concentrate                  | 0.20                    | 38.20                               | 52.90                | 6.44        | 18.46                               | 5.37                  | 16.92        |
| Middlings                    | 12.60                   | 42.90                               | 0.90                 | 1.40        | 9.22                                | 40.63                 | 22.75        |
| Tailings                     | 87.20                   | 18.90                               | 0.06                 | 0.14        | 5.13                                | 49.91                 | 18.80        |
| calc head                    | <b>100.00</b>           | <b>100.00</b>                       | <b>0.35</b>          | <b>0.40</b> | <b>7.40</b>                         | <b>63.43</b>          | <b>25.15</b> |

The results show that at the conclusion of wet tabling/panning, a 52.9% WO<sub>3</sub> concentrate was produced with a yield of 38.2% to the concentrate.

Both S and Fe have both upgraded to the concentrate, with flotation and magnetic separation test work planned to separate them from the WO<sub>3</sub>.

42.9% and 18.90% of the circuit WO<sub>3</sub> deported to the middlings and tailings respectively.

#### *Flotation*

7 (tests 1 to 7) pre-flotation tests using cyclone overflow material (tailings) were completed to determine the optimum flotation conditions in order to maximise the yield of WO<sub>3</sub> from the middlings and to clean the final concentrate.

To date, 5 flotation tests (test 8 to 12) to recover WO<sub>3</sub> from the middlings have been completed, with each test having slight adjustments to the chemical regime in response to the results of the previous test. Conditions for the subsequent tests were decided upon by Nagrom, in consultation with the flotation houses and Tungsten Mining's metallurgical consultant.

The final test completed to date, test 12, has produced a pleasing outcome, with ~ 91% of the WO<sub>3</sub> in the middlings being recovered to the middlings concentrate. This is the direct result of dropping the pH from >9 to 7.5. Table 6 below shows the result of test 12.

**Table 6: Middlings Flotation Test Work Results**

| Stream      | Stage Mass Yield<br>% | Stage Dist'n WO <sub>3</sub><br>% | WO <sub>3</sub><br>% | S<br>%      | Fe <sub>2</sub> O <sub>3</sub><br>% | SiO <sub>2</sub><br>% | CaO<br>%     |
|-------------|-----------------------|-----------------------------------|----------------------|-------------|-------------------------------------|-----------------------|--------------|
| Concentrate | 13.6                  | 91.0                              | 2.36                 | 3.35        | 8.69                                | 13.73                 | 41.62        |
| Tail        | 86.4                  | 9.0                               | 0.04                 | 0.73        | 8.97                                | 47.08                 | 21.47        |
| calc head   | <b>100.0</b>          | <b>100.0</b>                      | <b>0.35</b>          | <b>1.09</b> | <b>8.93</b>                         | <b>42.55</b>          | <b>24.21</b> |

#### **Upcoming Test Work**

The WO<sub>3</sub> recovered from the middlings flotation test work will combine with the concentrate from the wet table gravity separation for cleaning. The upcoming test work to conclude this phase will consist of;

- Concentrate cleaning, consisting of magnetic characterisation to remove any magnetic Fe constituents, sulphide flotation and scheelite flotation.
- Subject to final test results and budget consideration, recovery of WO<sub>3</sub> from tailings via flotation.

#### **Other Studies**

Based on the test results to date, work on the conceptual flow sheet and plant design appears as though a process plant will consist of crushing, screening, HPGR/rod milling, ball milling, gravity separation, flotation, thickening and filtration technology. This is very similar to recent tungsten processing plant designs completed elsewhere. The cost effectiveness of a pre-scalping DMS stage prior to beneficiation will need further assessment based on the phase 2 test results. This will need to be addressed in the next phase of test work, with a focus on the Kilba deposits variability.



### **Mining and Pit Optimisation Studies**

Since completion of the Kilba Resource update in late January, Tungsten Mining have taken the updated geological block model and converted it into a regularised mining block model to support detailed mining planning. Pit optimisation studies are currently being completed and this work will be used in conjunction with the results of the metallurgical test work program to inform and define project development options and feasibility studies.

### **Koolyanobbing Project – Seabrook Rare Metals Venture**

In November 2014 Tungsten Mining and Cobre Montana NL (ASX:CXB) entered into a binding agreement that provides for CXB to explore for lithium and other metals, on the shores of Lake Seabrook, approximately 60 km north-east of Southern Cross, Western Australia. The agreement concerns tenements comprising Tungsten Mining's Koolyanobbing Project, notably E77/1853, E77/1854, E77/1855, E77/2021, E77/2022 and E77/2035 and extends to an area of influence of 20km outside of the Tungsten Mining Tenements. The Seabrook Rare Metals Venture provides CXB with a right to earn an 80% interest to all metals other than tungsten, the right of which remain or are vested in Tungsten Mining.

On 20 October 2014, CXB announced lodging an exploration licence application for prospective ground at Lake Seabrook, covering pegmatites which contain lithium mica, beryl and tourmaline.

CXB have advised that work undertaken during the quarter included geochemical control traverses covering tungsten mineralisation and extending into the mylonites. The samples have been despatched to Perth and are awaiting assay.

### **Corporate**

Changes to the board composition were announced in early January 2015 with the retirement of founding director and non-executive chairman, Mr Patrick McManus – existing board member, Mr Gary Lyons was elected Chairman in place of Mr McManus. In March the Company announced that David Sanders had advised of his intention to resign as a director with the resignation taking effect from 31 March 2015.

There is no intention to appoint additional directors to the board at this time.

As at 31 March 2015 the Company's cash balance was \$1.07 million.



## Tenement Summary

| Tenement Name      | Tenement | Interest held at<br>31 Dec 2014 | Interest acquired/<br>disposed of during<br>quarter | Interest Held at<br>31 Mar 2015 |
|--------------------|----------|---------------------------------|---|---------------------------------|
| Whiskey Pool       | E08/1812 | 100%                            | N/A   | 100%                            |
| Moodong Well       | E08/2139 | 100%                            | N/A   | 100%                            |
| Loves Find         | E08/2207 | 100%                            | N/A   | 100%                            |
| Loves Find         | M08/286  | 100%                            | N/A   | 100%                            |
| Loves Find         | M08/287  | 100%                            | N/A   | 100%                            |
| Kilba Well         | M08/314  | 100%                            | N/A   | 100%                            |
| Green Gate Granite | M08/493  | 100%                            | N/A   | 100%                            |
| Green Gate Granite | L08/82   | 100%                            | N/A   | 100%                            |
| Green Gate Granite | L08/83   | 100%                            | N/A   | 100%                            |
| Green Gate Granite | L08/84   | 100%                            | N/A   | 100%                            |
| Mt Murray 2        | E08/2448 | 100%                            | N/A   | 100%                            |
| Mt Murray 2        | E08/2641 | PENDING                         | GRANTED   | 100%                            |
| Koolyanobbing      | E77/1823 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/1824 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/1853 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/1854 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/1855 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/2021 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/2022 | 100%                            | N/A   | 100%                            |
| Koolyanobbing      | E77/2035 | 100%                            | N/A   | 100%                            |
| Callie Soak        | E20/854  | PENDING                         | N/A   | PENDING                         |

### Competent Person's Statements

*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.*

*Where the Company refers to the Kilba Resource Upgrade referencing the release made to the ASX on 30 January 2015 it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.*

For further information contact:

|               |                         |                      |
|---------------|-------------------------|----------------------|
| Craig Ferrier | Chief Executive Officer | Tel: +61 8 9486 8492 |
| Colin Hay     | PPR Public Relations    | Tel: +61 8 9388 0944 |

## Appendix 5B

### Mining 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

Name of entity

Tungsten Mining NL

ABN

67 152 084 403

Quarter ended ("current quarter")

31 March 2015

### Consolidated statement of cash flows

|   |   | Current quarter<br>(3 months)<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---|---|--|---------------------------------------|
| <b>Cash flows related to operating activities</b> |   |  |                                       |
| 1.1   | Receipts from product sales and related debtors                   | -  | -                                     |
| 1.2   | Payments for (a) exploration & evaluation                         | (89)                                     | (2,547)                               |
|   | (b) development   | -  | -                                     |
|   | (c) production  | -  | -                                     |
|   | (d) administration  | (39)                                     | (519)                                 |
| 1.3   | Dividends received  | -  | -                                     |
| 1.4   | Interest and other items of a similar nature received             | 10                                       | 48                                    |
| 1.5   | Interest and other costs of finance paid                          | -  | -                                     |
| 1.6   | Income taxes received (GST paid)                                  | -  | -                                     |
| 1.7   | Other (provide details if material)                               | -  | -                                     |
| <b>Net Operating Cash Flows</b>                   |   | <b>(118)</b>                             | <b>(3,018)</b>                        |
| <b>Cash flows related to investing activities</b> |   |  |                                       |
| 1.8   | Payment for: (a) prospects  | -  | -                                     |
|   | (b) equity investments  | -  | -                                     |
|   | (c) other fixed assets  | -  | (61)                                  |
| 1.9   | Proceeds from: (a) prospects                                      | -  | -                                     |
|   | (b) equity investments  | -  | -                                     |
|   | (c) other fixed assets  | -  | -                                     |
| 1.10  | Loans to other entities   | -  | -                                     |
| 1.11  | Loans repaid by other entities                                    | -  | -                                     |
| 1.12  | Other (refund/charges of environmental bonds & security deposits) | -  | -                                     |
| <b>Net investing cash flows</b>                   |   | <b>-</b>                                 | <b>(61)</b>                           |
| 1.13  | Total operating and investing cash flows (carried forward)        | <b>(118)</b>                             | <b>(3,079)</b>                        |

|      |  |              |              |
|------|--|--------------|--------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (118)        | (3,079)      |
|      | <b>Cash flows related to financing activities</b>          |              |              |
| 1.14 | Proceeds from issues of shares, options, etc.              | -            | -            |
| 1.15 | Proceeds from sale of forfeited shares                     | -            | -            |
| 1.16 | Proceeds from borrowings                                   | -            | -            |
| 1.17 | Repayment of borrowings                                    | -            | -            |
| 1.18 | Dividends paid   | -            | -            |
| 1.19 | Other (capital raising costs)                              | -            | (46)         |
|      | <b>Net financing cash flows</b>                            | -            | -            |
|      | <b>Net increase (decrease) in cash held</b>                | (118)        | (3,125)      |
| 1.20 | Cash at beginning of quarter/year to date                  | 1,188        | 4,195        |
| 1.21 | Exchange rate adjustments to item 1.20                     | -            | -            |
| 1.22 | <b>Cash at end of quarter</b>                              | <b>1,070</b> | <b>1,070</b> |

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

|      |  | <b>Current quarter<br/>\$A'000</b> |
|------|--|------------------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2                                 | 45                                 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10                                   | -                                  |
| 1.25 | Explanation necessary for an understanding of the transactions                                   |                                    |
|      | Payment of fees, salaries and superannuation to the directors of the Company during the quarter. |                                    |

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

### Financing facilities available

Add notes necessary for an understanding of the position.

|                                 | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities             | -                           | -                      |
| 3.2 Credit standby arrangements | -                           | -                      |

### Estimated cash outflows for next quarter

|                                | \$A'000    |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 383        |
| 4.2 Development                | -          |
| 4.3 Production                 | -          |
| 4.4 Administration             | 202        |
| <b>Total</b>                   | <b>585</b> |

### Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Curent quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|---|---------------------------|-----------------------------|
| 5.1 Cash on hand and at bank  | 356                       | 177                         |
| 5.2 Deposits at call  | 714                       | 1,011                       |
| 5.3 Bank overdraft  | -                         | -                           |
| 5.4 Other (provide details)   | -                         | -                           |
| <b>Total: cash at end of quarter (item 1.22)</b>  | <b>1,070</b>              | <b>1,188</b>                |

### Changes in interests in mining tenements

|   | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|--------------------|-------------------------------|----------------------------------|----------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | Nil                | N/A                           | N/A                              | N/A                        |
| 6.2 Interests in mining tenements acquired or increased           | E08/2641           | Granted                       | Nil                              | 100%                       |

### Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

|      |  | Total number            | Number quoted | Issue price per security<br>(see note 3)<br>(cents) | Amount paid up per security<br>(see note 3)<br>(cents) |
|------|--|-------------------------|---------------|---|--|
| 7.1  | <b>Preference +securities</b><br><i>(description)</i>  |                         |               |   |  |
| 7.2  | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |                         |               |   |  |
| 7.3  | <b>+Ordinary securities</b>  | 212,652,708             | 180,802,708   |   |  |
| 7.4  | Changes during quarter<br>(a) Increases through issues:<br>(b) Decreases through returns of capital, buy-backs             |                         |               |   |  |
| 7.5  | <b>+Convertible debt securities</b> <i>(description)</i>   |                         |               |   |  |
| 7.6  | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              |                         |               |   |  |
| 7.7  | <b>Options</b> <i>(description and conversion factor)</i>  | 15,000,000<br>1,800,000 | -<br>-        | <b>Exercise price</b><br>\$0.400<br>\$0.250         | <b>Expiry date</b><br>30 Jun 2016<br>4 Dec 2015        |
| 7.8  | Issued during quarter  |                         |               |   |  |
| 7.9  | Exercised during quarter   |                         |               |   |  |
| 7.10 | Expired during quarter   |                         |               |   |  |
| 7.11 | <b>Debentures</b><br><i>(totals only)</i>  |                         |               |   |  |
| 7.12 | <b>Unsecured notes</b> <i>(totals only)</i>  |                         |               |   |  |

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date:

30 April 2015

Print name: Craig Ferrier  
Chief Executive Officer

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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