

WESTERN MINING NETWORK LIMITED

ACN 144 079 667

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 14 July 2016 (**Prospectus**), issued by Western Mining Network Limited (ACN 144 079 667) (**Company**).

This Supplementary Prospectus is dated 28 July 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at <http://www.wmngraphite.com>.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

1. REASONS FOR SUPPLEMENTARY PROSPECTUS

1.1 Purpose of this document

By this Supplementary Prospectus the Company provides the information set out in Section 2 below for the information of Shareholders.

1.2 Application Forms

As the content of this Supplementary Prospectus is not considered to be materially adverse to investors:

- (a) applications for Shares under the Offer must be made using the Application Form attached to or accompanying the Prospectus (see the Application Form and Section 4 of the Prospectus for detailed instructions on how to complete the Application Form and return it by the Closing Date); and
- (b) applicants who have already subscribed for Shares under the Prospectus to the date of this Supplementary Prospectus do not need to take any action.

2. AMENDMENTS TO PROSPECTUS

By this Supplementary Prospectus, the following amendments are made to the Prospectus:

2.1 Replacement of Section 4.15 of the Prospectus

Section 4.15 of the Prospectus is amended by replacing that section with the following:

4.15 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to the Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.001 being the price at which Shares have been offered under the Offer.

Eligible Shareholders who wish to subscribe for Shares above their Entitlement are invited to apply for additional Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form. Shortfall Shares will be allocated in priority to Eligible Shareholders who apply for Shortfall Shares under the Shortfall Offer.

Investors who are not Shareholders of the Company can apply for Shortfall Shares by completing the Shortfall Application Form accompanying the Prospectus.

The Company reserves the right to issue to an applicant for Shortfall Shares a lesser number of Shortfall Shares than the number applied for. If the number of Shortfall Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

No Eligible Shareholder or investor will be issued any Shortfall Shares if, as a result of such issue, their voting power in the Company would increase from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

2.2 Replacement of Section 4.19 of the Prospectus

The Company has resolved to withdraw its application for approval from the ASIC for the appointment of LeMessurier Securities Pty Ltd for the purpose of Section 615 of the Corporations Act on the basis that it does not consider that ASIC approval is required by the Company. Accordingly, Section 4.19 of the Prospectus is amended by replacing that section with the following:

4.19 Nominee

Pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, LeMessurier Securities Pty Ltd, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for

distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

Neither the Company nor the nominee will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of the nominee, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse.

Shareholders resident in Australia, New Zealand or Indonesia holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

The nominee will receive a commission of 6.00% on the total gross dollar value of all Entitlements sold.

2.3 Amendment to Section 5.1 of the Prospectus

Section 5.1 of the Prospectus is amended by inserting the following additional information in that section:

"Where less than the full subscription of \$2,182,516 is raised, the funds will first be applied towards the expenses of the Offer and then will be allocated on a pro-rata basis to the other categories listed in the use of funds table.

As noted in Section 7.3(a) of the Prospectus, the tenement comprising the Persada Gold Project is due to expire on 12 August 2016. The Company has lodged a renewal application for an additional period of 12 months, which it expects will be granted in the coming weeks. The Company is presently formulating a work plan for the Persada Gold Project which will target the completion of sufficient work on the tenement to enable the Company to properly assess at the end of the 12 month period whether to re-apply for the tenement comprising the Persada Gold Project. In the event that the renewal application is not granted, or the Company elects not to re-apply for the tenement (which will be subject to upcoming exploration results), the Company intends to consider new potential business acquisitions which will build Shareholder value."

2.4 Replacement of Section 5.6 of the Prospectus

Section 5.6 of the Prospectus is amended by replacing that section with the following:

5.6 Details of substantial holders

Those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Lanstead Capital LP	30,000,002	11.00
Kartika Tantra	23,690,102	8.68
Yongky Sutanto	22,890,100	8.39
Cynthia Sutanto	21,988,102	8.06
Danny Tanoto	17,748,397	6.50
Dana Henky Tantra	16,255,402	5.96
William Tanoto	15,813,401	5.79

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

2.5 Replacement of Section 7.3(c) of the Prospectus

Section 7.3(c) of the Prospectus is amended by replacing that section with the following:

7.3 Specific Risks relating to the Company's Indonesian Gold Project

(c) Divestiture of shares requirement under the New Mining Law

The Company, through its wholly owned subsidiary PT WMNI, holds 75% of the shares in PT. Persada Bumi Rawas, which in turn directly holds a 100% interest in the tenement comprising the Persada Gold Project.

After 5 years of production, a foreign investment limited liability company (**PMA Mining Company**), such as PT. Persada Bumi Rawas, must divest some of its shares (**Divestiture Shares**) to Indonesian parties, so that the Indonesian parties (being the Government, Regional Governments, BUMN, BUMD or BUMS National), hold not less than 20% of the PMA Company's issued shares (**Divestment Requirement**). The Company must also divest no less than 30% after 6 years of production, 37% after 7 years of production, 44% after 8 years of production and 51% after 9 years of production.

At this stage the divestment rules are not applicable to the Company, as a foreign owned entity must only start divesting to Indonesian interests after production has taken place and only after 5 years. As at the date of this Supplementary Prospectus, the Company has not commenced production on the Persada Gold Project.

In the event that the Company reaches production in the future, the Divestment Requirement will apply to the Company. If this occurs, there is a potential risk to the Company's potential future cash flows from production.

2.6 Amendment to Section 8.1 of the Prospectus

Section 8.1 of the Prospectus is amended by inserting the following additional information in that section:

"Of the total Converting Loans advanced to the Company, one of the Lenders has advanced \$200,000 to the Company under a Converting Loan Agreement. The Lender is not currently a Shareholder of the Company.

Assuming that \$2,000,000 is raised under the Offer, and the Company issues 266,666,667 Shares to that Lender (which assumes an issue price of \$0.00075 per Share) on conversion of its Converting Loan, the Lender would acquire voting power in the Company of 9.07%. In the event the Offer is fully subscribed and all Converting Loans convert, the Lender would acquire voting power of 8.54%."

2.7 Amendment to Section 9.5 of the Prospectus

The last paragraph in Section 9.5 of the Prospectus is amended by replacing that paragraph with the following:

"LeMessurier Securities Pty Ltd has been appointed as the nominee under ASX Listing Rule 7.7.1(c). LeMessurier Securities Pty Ltd will be paid for this service on standard industry terms and conditions."

2.8 Amendment to Section 9.6 of the Prospectus

The last paragraph in Section 9.6 of the Prospectus is amended by replacing that paragraph with the following:

"LeMessurier Securities Pty Ltd has given and has not withdrawn its consent to be named as the Company's nominee under ASX Listing Rule 7.7.1(c). LeMessurier Securities Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC."

3. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Nathan Taylor
Non-Executive Chairman
For and on behalf of
WESTERN MINING NETWORK LIMITED