

2 April 2014

Dear Optionholder

Renounceable Entitlement Offer – Letter to Optionholders

The Directors of Tungsten Mining NL (ABN 67 152 084 403) (**Company**) have resolved that the Company will undertake a partially underwritten, renounceable pro rata entitlement offer of new shares to eligible shareholders at an issue price of \$0.04 each on the basis of 1 new share for every 1 share held to raise up to approximately \$4.24 million (before costs) (**Entitlement Offer**).

The Entitlement Offer will be made to eligible shareholders who are registered as at 5.00pm (WST) on 10 April 2014 (**Record Date**).

As an option holder in the Company, you are not entitled to participate in the Entitlement Offer with respect to your options unless you exercise some or all of your options into fully paid ordinary shares in the Company and are entered onto the Company's share register before the Record Date.

If you wish to participate in the Entitlement Offer in respect of the shares that would be issued to you on exercise of your options, please send an option exercise form, together with a cheque for the relevant exercise price, to the Company Secretary so that it is received prior to the Record Date. Please contact the Company's share registry, Security Transfer Registrars Pty Ltd, on +61 8 9315 2333 or email registrar@securitytransfer.com.au for a copy of the option exercise form.

Alternatively, if you wish to participate in the Entitlement Offer but do not wish to exercise your options, as the Entitlement Offer is "renounceable" you may buy the entitlements of eligible shareholders, assuming there is a market for those entitlements, on the Australian Securities Exchange (**ASX**) or off-market during the rights trading period (being 4 April 2014 to 22 April 2014). You should contact your broker for further information regarding how to purchase entitlements.

The closing market sale price of the Company's shares on the ASX on the last day that trading took place in the Company's shares prior to the date of this letter was \$0.07 (on 1 April 2014).

Please note that this letter is not an offer or an invitation to acquire securities or to participate in the Entitlement Offer. This letter is to inform you of the Entitlement Offer. You are not required to do anything in response to this letter.

Before making a decision to exercise your options or to participate in the Entitlement Offer, you should consult your accountant, stockbroker, lawyer or other professional adviser.

Yours faithfully



Paul Berndt
Managing Director