



QUARTERLY REPORT FOR MARCH 2014

HIGHLIGHTS

Kilba Project, Gascoyne region, Western Australia

- No field activities were carried out during the Quarter.
- Consultants were briefed in readiness to recommence project activities during the current June quarter; these activities commenced subsequent to the end of March.
- The tungsten price (Metal Bulletin APT quotations) has eased slightly, with average prices in the range US\$364 - 374/mtu.
- Gross proceeds of \$400,000 were raised during the Quarter and received in April for working capital.

Other Projects

- No work was undertaken on other Company tenements during the quarter.
- Evaluation of other tungsten mining project opportunities continued.

Tungsten Mining NL (ASX:TGN) (“Tungsten Mining” or “the Company”) is pleased to release its quarterly activity report for the quarter ended March 31, 2014.

Kilba Project

Consultants were engaged subsequent to the end of the March quarter to prepare for a resumption of field activities upon closing of a Rights Issue that was announced during the quarter and is still ongoing.

Funds from the rights issue will be used to advance the Kilba project by carrying out additional site exploration activities, permitting, metallurgical test work and engineering studies.

Other Project Opportunities

The Company evaluated a number of tungsten projects during the quarter. None passed our criteria for cost and risk/return. We will continue to monitor opportunities.

Corporate

Cash Management update

During the quarter, the company paid exploration expenses of approximately \$10,000, and corporate or administration expenses of \$0.3M, against forecast outflows of \$0.2M. The cash position reduced to \$0.2M at quarter-end. Budgeted cash flow for the June quarter is \$2.1M, made up of project evaluation costs of \$1.5M and administration/corporate expenses of \$0.6M. Budgeted spend is not committed spend, and is subject to variation dependent on various operational factors.

The company commenced a renounceable rights issue in the period, to raise up to \$3.84 M. The offer is underwritten to \$3M. A placement of 10,000,000 shares to raise \$400,000 was completed on 1 April 2014, when the funds were received. The effective date of the shares issued was 31 March 2014. The rights issue is still in progress. As of the report's date, the cash position of the company is \$0.9M.

Announcements

The following announcements were made in the March quarter:

27 March, 2014	TGN Raise up to \$4.24M from Placement and Entitlements Offer
26 March, 2014	Trading Halt
14 March, 2014	Appendix 3B
13 March, 2014	Results of Meeting
12 March, 2014	Half Yearly Report and Accounts
06 March, 2014	Shareholder General Meeting Notification
11 February, 2014	Notice of General Meeting/Proxy Form
31 January, 2014	Quarterly Activities and Cash Flow Report
17 January, 2014	Appendix 3B

Tenement Summary

Country	Tenement	Interest held at 31 December 2013	Interest acquired / disposed of during quarter	Interest Held at 31 March 2014
WA	E08/1812	100%	N/A	100%
WA	E08/2139	100%	N/A	100%
WA	E08/2207	100%	N/A	100%
WA	M08/286	100%	N/A	100%
WA	M08/287	100%	N/A	100%
WA	M08/314	100%	N/A	100%
WA	M08/493	100%	N/A	100%
WA	L08/82	100%	N/A	100%
WA	L08/83	100%	N/A	100%
WA	L08/84	100%	N/A	100%
WA	E08/2448	PENDING	N/A	PENDING
WA	E77/1823	100%	N/A	100%
WA	E77/1824	100%	N/A	100%
WA	E77/1852	100%	N/A	100%
WA	E77/1853	100%	N/A	100%
WA	E77/1854	100%	N/A	100%
WA	E77/1855	100%	N/A	100%
WA	E77/2021	100%	N/A	100%
WA	E77/2022	100%	N/A	100%

Country	Tenement	Interest held at 31 December 2013	Interest acquired / disposed of during quarter	Interest Held at 31 March 2014
WA	E77/2023	100%	100%	0%
WA	E77/2035	100%	N/A	100%
WA	E77/2075	100%	100%	0%
WA	E77/2076	100%	100%	0%
WA	E20/669	20%	N/A	100%
NT	E29004	100%	100%	0%

- *Denotes Beneficial holding of the Mineral Rights to Tungsten

About Tungsten

Tungsten is an extremely hard and dense grey-white metal which has the highest melting point of all metals and the highest high-temperature tensile strength. It is mainly in the form of tungsten carbide, or so-called "hard metal" that it is used as the hard-wearing surfaces in virtually all high-speed industrial machine tool applications, where it cannot be readily substituted. Such applications account for around 65% of tungsten consumption globally, while another 18% is used in steel alloys where high-temperature tensile strength, low coefficient of expansion or corrosion resistance is critical. Other important use categories are chemical catalysts used in the oil industry, fluorescent compounds, lighting and contact plates in high-capacitance electronic devices or storage batteries. The emerging economies, such as Brazil, India and China, are especially consuming increasing amounts of tungsten, as they strive to emulate the extent of industrialisation of the developed countries.

Tungsten is the right sector to be in, with sound fundamental drivers giving strong demand and firm pricing. Until 2005, China was the world's largest exporter of tungsten concentrate but rapid industrialization within China, structural economic changes, and changes in economic policies towards industry, have resulted in the total ban on exports of tungsten concentrate and restrictions of other tungsten exports from China, such as Ammonium Para Tungstate ("APT").

China is also the world's largest consumer of tungsten. Escalating Chinese consumption, in conjunction with the ongoing demand in the world's principal economies, have resulted in increases in the price of tungsten by 70% over the last five years. Tungsten prices are quoted per metric tonne unit (mtu) of contained tungstic oxide (WO₃). One mtu is 10 kilograms of WO₃ and is the standard weight measure of the tungsten trade. APT is an intermediate chemical product in the tungsten fabrication

chain, and the prices for individual shipments of mine tungsten concentrates under long-term supply agreements are typically calculated according to a set percentage (“pay factor”) of the APT price, which can typically be around 75-80%. The governing price basis of APT used for determining concentrate shipment prices is often that which is quoted weekly or twice-weekly in electronic trade magazines such as Metal Bulletin and Metal-Pages.

About Tungsten Mining

Tungsten Mining NL was admitted to ASX on 13 December, 2012. The Company is focused on development and exploitation of tungsten deposits. The management of the company has previous experience in tungsten mine development and operations.

Due to the Chinese position on export restrictions, and to the strong global demand for tungsten, particularly in the developing countries, the fundamentals of the tungsten market remain strong, and Tungsten Mining, with its experienced management and high quality assets in good mining jurisdictions, believes it is very well positioned to become a significant supplier of tungsten in a short time frame.

Visit our website at www.tungstenmining.com.

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Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

Tungsten Mining NL

ABN

67 152 084 403

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(9)	(189)
(b) development		
(c) production		
(d) administration	(331)	(853)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	2	6
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(338)	(1,036)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments		
(c) other fixed assets		
1.9 Proceeds from sale of: (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 (provide details if material)		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(338)	(1,036)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(338)	(1,036)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	600
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 (Listing fees refund and Equity Raising Costs)	(33)	(29)
	Net financing cash flows	(33)	571
Net increase (decrease) in cash held			
		(371)	(465)
1.20	Cash at beginning of quarter/year to date	580	674
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	209	209

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	105
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 relates to Directors Remuneration, Directors Fees and Superannuation Contributions.

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

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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

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,498
4.2 Development	
4.3 Production	
4.4 Administration	620
Total	2,118

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.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	209	580
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	209	580

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E77/2075 E77/2076 E77/2023 E29004	WITHDRAWN SURRENDERED SURRENDERED SURRENDERED	100% 100% 100% 100%	0% 0% 0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	nil	nil	nil	

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 (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	105,995,213	74,145,213	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	256,500 3,000,000 10,000,000	256,500 3,000,000 10,000,000	\$0.075 \$0.060 \$0.040
7.5	+Convertible debt securities <i>(description)</i>			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	15,000,000 1,800,000	- -	<i>Exercise price</i> \$0.400 \$0.250	<i>Expiry date</i> 30 June 2016 4 December 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <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 2014
(Director)

Print name: Paul Berndt
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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.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum 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 or petroleum 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 Financial Reporting 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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