



Half Year Financial Report 31 December 2019

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Corporate directory

Board of directors:

Gary Lyons (Non-executive Chairman)
Tan Sri Dato' Tien Seng Law (Non-executive Deputy Chairman)
Chew Wai Chuen (Non-executive Director)
Kong Leng (Jimmy) Lee (Non-executive Director)
Teck Siong Wong (Non-executive Director)
Russell Clark (Non-executive Director)
Wai Cheong Law (Alternate Director)

Chief executive officer:

Craig Ferrier

Company Secretaries:

Mark Pitts
Simon Borck

Principal and registered office:

Level 4, 46 Colin Street
West Perth WA 6005

Telephone: +61 8 9486 8492
Facsimile: +61 8 6117 4039
Email: info@tungstenmining.com
Website: www.tungstenmining.com

Postal address:

PO Box 452
West Perth WA 6872

Issued capital as at 31 December 2019:

Fully paid ordinary shares: 769,164,272
Unlisted options: 16,000,000

Stock exchange:

Australian Securities Exchange Limited

ASX company code:

TGN

Auditors:

Stantons International
Level 2, 1 Walker Avenue
West Perth WA 6005
Telephone: +61 8 9481 3188
Facsimile: +61 8 9321 1204

Bankers:

National Australia Bank Limited
Level 1, 1238 Hay Street
West Perth WA 6005

Share registry:

Automic Group
Level 2, 267 St Georges Terrace
Perth, WA 6000
Telephone: +61 2 8072 1400

Solicitors:

Bennett + Co
Ground Floor, BGC Centre
28 The Esplanade
Perth WA 6000
Telephone: +61 8 6316 2200
Facsimile: +61 8 6316 2211

ABN:

67 152 084 403

Parent entity:

Tungsten Mining NL

Directors' Report

Your directors submit their report for Tungsten Mining NL ('the Company' or 'the Parent') and for the Group, being the Company and its controlled entities, for the half year ended 31 December 2019.

Directors

The names of the Company's Directors in office during the half-year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Gary Lyons	Non-executive Chairman
Tan Sri Dato' Tien Seng Law	Non-executive Deputy Chairman
Kong Leng (Jimmy) Lee	Non-executive Director
Chew Wai Chuen	Non-executive Director
Teck Siong Wong	Non-executive Director
Russell Clark	Non-executive Director
Wai Cheong Law	Alternate Director

Mr Clark was appointed to the Board, as a non-executive director on 11 February 2020.

Company Secretaries

Mark Pitts
Simon Borck

Dividends

No amounts have been paid or declared by way of dividend by the Company during the half year or in the period to the date of this report.

Principal activities

The principal activity of the Company and its subsidiaries during the course of the half year continued to be the exploration and evaluation of mining projects.

Operating results

The net loss of the Group for the half year to 31 December 2019 was \$7,883,208 (Dec 2018: \$11,198,237).

During the period, net cash used in operating and investing activities totalled \$7,347,998 (Dec 2018: \$21,328,348). Net cash flow from financing activities was \$1,205,702 for the period (Dec 2018: \$24,528,144), this amount included \$1,208,149 (Dec 2018: \$422,000) in proceeds from exercised options.

Review of operations

The Group continues to implement its strategy directed at building a tungsten business of scale, growing its resource inventory during the period to 37 million MTU's (metric tonne units) of WO₃ (tungsten trioxide) and a further 57,000 tonnes of Mo (molybdenum), 850,000 ounces of Au (gold) and 35 million ounces of Ag (silver). This very substantial increase in resource inventory follows an updated Mulgine Trench Mineral Resource estimate. Not only has there been a substantial increase in contained tungsten and molybdenum, but it also defined a maiden resource for other potential by-products of gold and silver.

The Mt Mulgine Project remains the highest priority development project for the Group, responsible for the majority of activity during the period with the advancement of its pre-feasibility study. These activities included the following:

- Progression of resource infill drilling;
- Completion of an updated Mineral Resource Estimate for the Mulgine Trench Deposit by independent resource consultants, Optiro;
- Development of project site water strategy;

Directors' Report

Review of operations (continued)

- Continuation of metallurgical test work program;
- Commencement of process engineering study for the design of the processing plant;
- Completion of power supply options study;
- Re-submission of revised NVCP application in support of the clearing envelope identified for the Mulgine Hill deposit.

During the period 40,271,617 fully paid shares in the Company were allotted on the exercise of \$0.03 unlisted options, raising \$1,208,149 before costs.

On 11 February 2020 Mr Russell Clark was appointed to the Board, as a non-executive director.

Events subsequent to balance date

There have been no matters or circumstances that have arisen since 31 December 2019 that have significantly affected or may significantly affect:

- (a) the Group's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the Group's state of affairs in future years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 17.

Signed in accordance with a resolution of the Directors.



Gary Lyons
Chairman
Perth, 5th March 2020

Consolidated statement of profit or loss and other comprehensive income

For the half year ended 31 December 2019

	Note	Consolidated	
		December 19	December 18
		\$	\$
Other Income	3	324,415	382,643
Administration expenses		(588,222)	(707,688)
Exploration expenses	4	(6,010,009)	(3,455,787)
Occupancy expenses		-	(24,000)
Remuneration expenses		(1,609,392)	(344,113)
Share-based payments	5	-	(7,049,292)
Loss before income tax		(7,883,208)	(11,198,237)
Income tax expense/benefit		-	-
Loss for the period		(7,883,208)	(11,198,237)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income after tax		-	-
Total comprehensive loss after tax		(7,883,208)	(11,198,237)
Loss attributable to members of the Parent		(7,883,208)	(11,198,237)
Total comprehensive loss attributable to members of the Parent		(7,883,208)	(11,198,237)
Basic loss per share in cents		(1.08)	(1.57)

Diluted loss per share is not shown as it would not reflect an inferior position.

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2019

		Consolidated	
		December 19	June 19
	Note	\$	\$
Current assets			
Cash and cash equivalents		27,641,221	33,783,517
Trade and other receivables		167,645	214,509
Other assets		407,171	306,029
Total current assets		28,216,037	34,304,055
Non-current assets			
Exploration and evaluation	6	19,707,196	19,707,196
Plant and equipment	7	2,733,982	2,742,772
Right-of-use assets	12	859,520	968,122
Total non-current assets		23,300,698	23,418,090
Total assets		51,516,735	57,722,145
Current liabilities			
Trade and other payables		817,391	478,031
Lease Liabilities	13	164,740	196,160
Provisions	14	402,272	231,796
Total current liabilities		1,384,403	905,987
Non-current liabilities			
Lease Liabilities	13	749,224	774,936
Provisions	14	432,631	434,914
Total non-current liabilities		1,181,855	1,209,850
Total liabilities		2,566,258	2,115,837
Net assets		48,950,477	55,606,308
Equity			
Issued capital	8	81,723,389	80,533,512
Shares to be issued	8	37,500	-
Reserves	9	7,851,718	7,851,718
Accumulated losses		(40,662,130)	(32,778,922)
Total equity		48,950,477	55,606,308

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the half year ended 31 December 2019

	Issued Capital	Shares to be issued	Reserves	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	80,533,512	-	7,851,718	(32,778,922)	55,606,308
Loss for the period	-	-	-	(7,883,208)	(7,883,208)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(7,883,208)	(7,883,208)
Shares issued on exercise of share options	1,208,149	-	-	-	1,208,149
Share issue transaction costs	(18,272)	-	-	-	(18,272)
Shares to be issued on exercise of share options	-	37,500	-	-	37,500
Balance as at 31 December 2019	81,723,389	37,500	7,851,718	(40,662,130)	48,950,477
Balance at 1 July 2018	56,005,180	18,194,634	802,426	(19,762,486)	55,239,754
Loss for the period	-	-	-	(11,198,237)	(11,198,237)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(11,198,237)	(11,198,237)
Shares issued	25,438,254	(18,194,634)	-	-	7,243,620
Shares issued on exercise of share options	422,000	-	-	-	422,000
Share issue transaction costs	(1,330,088)	-	-	-	(1,330,088)
Share-based payments	-	-	7,049,292	-	7,049,292
Balance as at 31 December 2018	80,535,346	-	7,851,718	(30,960,723)	57,426,341

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the half year ended 31 December 2019

	Consolidated	
	December 19	December 18
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(7,559,860)	(4,895,022)
Interest received	328,184	310,567
Other proceeds	60,000	45,000
Net cash (used in) operating activities	(7,171,676)	(4,539,455)
Cash flows from investing activities		
Payments for property, plant & equipment	(66,135)	(1,708,819)
Acquisition of subsidiary	(85,187)	(14,912,264)
Security Deposits	(25,000)	(167,810)
Net cash (used in) investing activities	(176,322)	(16,788,893)
Cash flows from financing activities		
Proceeds from exercise of share options	1,208,149	422,000
Proceeds from issue of shares	-	25,438,254
Payments for share issue costs	(2,447)	(1,332,110)
Net cash from financing activities	1,205,702	24,528,144
Net increase/(decrease) in cash	(6,142,296)	3,199,796
Cash and cash equivalents at the beginning of the period	33,783,517	34,130,400
Cash and cash equivalents at the end of the period	27,641,221	37,330,196

The above statement should be read in conjunction with the accompanying notes.

Condensed notes to the financial statements

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEARLY FINANCIAL REPORT

The consolidated financial report is a general purpose condensed financial report for the half-year ended 31 December 2019, which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001 and this financial report was authorised for issue in accordance with a resolution of the directors on 5th March 2020.

It is recommended that the half-year consolidated financial statements be read in conjunction with the annual financial report for the year ended 30 June 2019 and considered with any public announcements made by Tungsten Mining NL during and subsequent to the half-year ended 31 December 2019 in accordance with continuous disclosure obligations of the *ASX Listing Rules*.

The half-year consolidated financial statements do not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full and understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year consolidated financial statements have been prepared on the basis of accrual accounting and historical costs.

Changes in accounting standards

The Group has considered the implications of new and amended Accounting Standards effective for annual reporting periods beginning on or after 1 July 2019 but determined that their application to the financial statements is either not relevant or not material.

NOTE 2: SEGMENT REPORTING

The Group has based its operating segments on the internal reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources.

The Group currently does not have production and is only involved in exploration. As a consequence, activities in the operating segment are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of the manager and country of expenditure. Information is reviewed on a whole of entity basis.

Based on these criteria the Group has only one operating segment, being exploration, and the segment operations and results are reported internally based on the accounting policies as described in Note 1 on a whole of entity basis.

NOTE 3: OTHER INCOME

	Consolidated	
	December 19	December 18
	\$	\$
Interest income	264,415	382,643
Management fee	60,000	-
	<u>324,415</u>	<u>382,643</u>

Condensed notes to the financial statements

NOTE 4: EXPLORATION EXPENSES

	Consolidated	
	December 19	December 18
	\$	\$
Exploration expenditure	6,010,009	3,455,787

Prefeasibility on Mt Mulgine

The increased exploration expenditure in the current period predominately relates to prefeasibility activities undertaken on the Mt Mulgine Tungsten project.

NOTE 5: SHARE-BASED PAYMENTS

	Consolidated	
	December 19	December 18
	\$	\$
Unlisted options issued to Directors	-	52,972
Shares issued under loan funded share scheme with Directors	-	6,996,320
Total share-based payments for the period	-	7,049,292

NOTE 6: EXPLORATION AND EVALUATION

	Consolidated	
	December 19	June 19
	\$	\$
Capitalised exploration and evaluation	19,707,196	19,707,196

	Mt Mulgine	Big Hill	Kilba	Watershed	Hatches Creek	Total
	\$	\$	\$	\$	\$	\$
Opening net carrying value	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196
Acquisitions	-	-	-	-	-	-
Closing net carrying value	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196

Mineral acquisition costs

The Group capitalises the acquisition costs in accordance with its accounting policy for exploration and evaluation expenditure. The ultimate recoupment of acquisition costs carried forward in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Condensed notes to the financial statements

NOTE 7: PLANT AND EQUIPMENT

	Consolidated	
	December 19	June 19
	\$	\$
Plant and equipment	2,733,982	2,742,772

The following table illustrates the movement in carrying value of Plant and equipment

	Processing Plant	Office Equipment	Exploration Equipment	Computer Software	Total
	\$	\$	\$	\$	\$
Opening net carrying value	2,485,247	120,606	99,475	37,444	2,742,772
Cost of additions	-	1,873	17,839	-	19,712
Depreciation charge	-	(15,974)	(7,159)	(5,369)	(28,502)
Closing net carrying value	2,485,247	106,505	110,155	32,075	2,733,982

Processing Plant

In prior financial years, the Group acquired a dismantled mineral processing facility and relocated it from its location in the Pilbara to storage in a laydown area adjacent to the Golden Dragon gold processing plant operated by Minjar Gold for total consideration of \$795,347.

Also, during the previous financial year, the Group acquired two new x-ray ore sorters. Total consideration for the ore sorters and acquisition costs was \$1,658,050 with a remaining balance, not yet incurred.

This Processing Plant, the processing facility and ore sorters, are not currently being depreciated as neither are in use.

Condensed notes to the financial statements

NOTE 8: ISSUED CAPITAL

	Consolidated	
	December 19	June 19
	\$	\$
Ordinary shares fully paid	81,723,389	80,533,512
Shares to be issued (<i>issued on 7 January 2020</i>)	37,500	-
	<u>81,760,889</u>	<u>80,533,512</u>

The following table illustrates the movement in ordinary shares

	\$	Number
Balance at the beginning of period	80,533,512	728,892,655
Shares issued at \$0.03 on exercise of options	1,208,149	40,271,617
Shares to be issued at \$0.03 on exercise of options	37,500	-
Costs incurred in issuing shares	(18,272)	-
Balance at end of period	<u>81,760,889</u>	<u>769,164,272</u>

Unlisted options exercised

During the period 40,271,617 fully paid shares were allotted on the exercise of \$0.03 unlisted options, raising \$1,208,149 before costs.

Shares to be issued

During the period a further 1,250,000 \$0.03 unlisted options were exercised. These unlisted options were subsequently allotted into fully paid shares after the period end, raising \$37,500 before costs.

NOTE 9: RESERVES

	Consolidated	
	December 19	June 19
	\$	\$
Share option reserve	855,398	855,398
Loan-funded share scheme reserve	6,996,320	6,996,320
	<u>7,851,718</u>	<u>7,851,718</u>

Movement in share options reserve

The following table illustrates the share-based payments expense, number and weighted average exercise prices (WAEP) of, and movements in, share options during the period.

Condensed notes to the financial statements

NOTE 9: RESERVES (CONTINUED)

	Number	WAEP	\$
At 1 July 2018	80,651,748	\$ 0.124	802,426
Vesting expense of Director/Employee options	-	-	52,972
Free-attaching options issued under share placement	14,963,679	\$ 0.600	-
Employee options exercised	(9,250,000)	\$ 0.044	-
Free-attaching options exercised during the year	(501,701)	\$ 0.030	-
At 30 June 2019	85,863,726	\$ 0.216	855,398
At 1 July 2019	85,863,726	\$ 0.216	855,398
Free-attaching \$0.03 options exercised during the year	(41,521,617)	\$ 0.030	-
Free-attaching \$0.03 options expired during the year	(695,050)	\$ 0.030	-
Free-attaching \$0.60 options expired during the year	(27,647,059)	\$ 0.600	-
At 31 Dec 2019	16,000,000	\$ 0.044	855,398

The following table illustrates outstanding options that have vested and are exercisable at period end:

	Number outstanding	Number vested and exercisable	Exercise price	Expiry date	Remaining contractual life
Director options					
Tranche 1	3,200,000	3,200,000	\$0.03	23 Dec 20	0.98 years
Tranche 2	3,200,000	3,200,000	\$0.04	23 Dec 20	0.98 years
Tranche 3	9,600,000	9,600,000	\$0.05	23 Dec 20	0.98 years
Outstanding at period end	16,000,000	16,000,000			

The following table illustrates outstanding limited recourse loan funded shares that have 100% vested in the prior year and are held in escrow at period end:

	Number granted	Fair value of loan-funded shares	Purchase Price	Purchase (grant) date	Loan expiry date	Remaining contractual life
Loan funded shares issued in prior years	16,000,000	\$6,996,320	\$0.478	26 Jul 18	26 Jul 28	8.58 years
	16,000,000	\$6,996,320				

There was no movement to these shares during the period.

Condensed notes to the financial statements

NOTE 10: CONTROLLED ENTITIES

Tungsten Mining NL is the ultimate parent entity of the consolidated group. The following were controlled entities at period end and have been included in the consolidated financial statements. All shares held are ordinary shares.

Subsidiaries	Country of Incorporation	Percentage Interest Held 31 December 2019	Percentage Interest Held 30 June 2019	Date Acquired/ Incorporated
SM3-W Pty Ltd	Australia	100	100	13/12/2012
Pilbara Tungsten Pty Ltd	Australia	100	100	30/11/2015
Mid-West Tungsten Pty Ltd	Australia	100	100	30/11/2015
North Queensland Tungsten Pty Ltd	Australia	100	100	09/08/2018
Territory Tungsten Pty Ltd	Australia	100	100	01/03/2019

NOTE 11: CONTINGENT LIABILITIES

The Group is not aware of any significant contingencies since the last annual reporting date.

NOTE 12: RIGHT OF USE ASSETS

	Consolidated	
	December 19	June 19
	\$	\$
Cost	1,086,019	1,086,019
Accumulated depreciation	(226,499)	(117,897)
Carrying value at end period	859,520	968,122
Opening net carrying value	968,122	-
Additions	-	1,086,019
Depreciation charge for the year	(108,602)	(117,897)
Closing net carrying value	859,520	968,122

Property leases

The above right-of-use assets and lease liabilities relate to certain property leases entered into during the prior year by the Group (refer Note 13).

The right-of-use asset is measured at the amount equal to the lease liability at the inception of the lease and then this cost is amortised over the life of the lease.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs,
- and restoration costs

Right-of-use assets are being depreciated over the lease term on a straight-line basis which is five years for both leases in place at 31 December 2019. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Condensed notes to the financial statements

NOTE 13: LEASE LIABILITIES

	Consolidated	
	December 19	June 19
	\$	\$
Current		
Property lease liability	164,740	196,160
	<u>164,740</u>	<u>196,160</u>
Non-current		
Property lease liability	749,224	774,936
	<u>749,224</u>	<u>774,936</u>
Total lease liabilities	<u>913,964</u>	<u>971,096</u>

Property Leases

The above lease liabilities and right-of-use assets (refer Note 12) relate to certain property leases entered into during the prior year by the Group.

The lease liability valuation was calculated at lease inception from the total lease payment obligations being discounted using the Group's incremental borrowing rate. An incremental borrowing rate of 5.68% was based on a secured interest rate that would be apply if finance was sought for an amount and time period equivalent to the lease requirements of the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period.

NOTE 14: PROVISIONS

	Consolidated	
	December 19	June 19
	\$	\$
Current		
Provision for rehabilitation	171,529	20,000
Provision for employee annual leave	174,187	156,022
Provision for employee long service leave	56,556	55,774
	<u>402,272</u>	<u>231,796</u>
Non-current		
Provision for rehabilitation	420,000	425,000
Provision for employee long service leave	12,631	9,914
	<u>432,631</u>	<u>434,914</u>
Total Provisions	<u>834,903</u>	<u>666,710</u>

NOTE 15: EVENTS SUBSEQUENT TO BALANCE DATE

There have been no matters or circumstances that have arisen since 31 December 2019 that have significantly affected or may significantly affect:

- (a) the group's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the group's state of affairs in future years.

Directors' Declaration

In accordance with a resolution of the directors of Tungsten Mining NL, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:
 - i. Giving a true and fair view of the financial position as at 31 December 2019 and the performance for the half-year ended on that date of the Group; and
 - ii. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Gary Lyons

Chairman

Perth, 5th March 2020

Auditor's independence declaration

Stantons International Audit and Consulting Pty Ltd
trading as

Stantons International
Chartered Accountants and Consultants

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West Perth WA 6872
Australia

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5 March 2020

Board of Directors
Tungsten Mining NL
Level 4, 46 Colin Street
West Perth WA 6005

Dear Sirs

RE: TUNGSTEN MINING NL

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Tungsten Mining NL.

As Audit Director for the review of the financial statements of Tungsten Mining NL for the half year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

Independent auditor's review report

Stantons International Audit and Consulting Pty Ltd
trading as

Stantons International
Chartered Accountants and Consultants

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TUNGSTEN MINING NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Tungsten Mining NL, which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Tungsten Mining NL (the consolidated entity). The consolidated entity comprises both Tungsten Mining NL (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Tungsten Mining NL are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Tungsten Mining NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independent auditor's review report

Stantons International

Independence

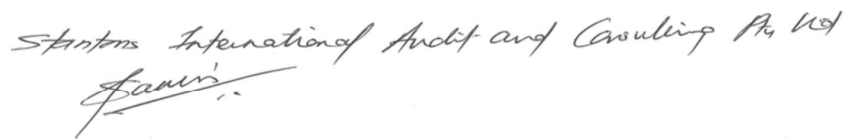
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Tungsten Mining NL on 5 March 2020.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tungsten Mining NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

West Perth, Western Australia
5 March 2020