



# About Tungsten Mining

Emerging Australian tungsten developer, Tungsten Mining NL is an Australian based resources company listed on the Australian Securities Exchange. The Company's prime focus is the exploration and development of tungsten projects in Australia.

Tungsten (chemical symbol W), occurs naturally on earth, not in its pure form but as a constituent of other minerals, only two of which support current commercial extraction and processing - wolframite ( $(\text{Fe, Mn})\text{WO}_4$ ) and scheelite ( $\text{CaWO}_4$ ).

Tungsten has the highest melting point of all elements except carbon – around  $3400^\circ\text{C}$  giving it excellent high temperature mechanical properties and the lowest expansion coefficient of all metals. Tungsten is a metal of considerable strategic importance, essential to modern industrial development (across aerospace and defence, electronics, automotive, extractive and construction sectors) with uses in cemented carbides, high-speed steels and super alloys, tungsten mill products and chemicals.

Through exploration and acquisition, the Company has established a globally significant tungsten resource inventory in its portfolio of advanced mineral projects across Australia. This provides the platform for the Company to become a major player within the global primary tungsten market through the development of low-cost tungsten concentrate production.



**AN AUSTRALIAN BASED  
RESOURCES COMPANY**



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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  
Executive Director

Russell Clark  
Non-executive Director

Wai Cheong Law  
Alternate Director

## Chief Executive Officer

Teck Wong

## Company Secretaries

Mark Pitts  
Simon Borck

## Principal and Registered Office

Level 4, 46 Colin Street  
West Perth WA 6005

**T:** +61 8 9486 8492  
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**E:** [info@tungstenmining.com](mailto:info@tungstenmining.com)  
**W:** [www.tungstenmining.com](http://www.tungstenmining.com)

## Postal Address

PO Box 452  
West Perth WA 6872

## ASX Company Code

TGN

## Investor and Media Relations

Gary Lyons (Non-executive Chairman)  
[garylions@heiniger.com.au](mailto:garylions@heiniger.com.au)

Mark Pitts (Company Secretary)  
[mark.pitts@tungstenmining.com](mailto:mark.pitts@tungstenmining.com)

**T:** +61 8 9486 8492

## Auditors

Stantons  
40 Kings Park Road  
West Perth WA 6005

**T:** +61 8 9481 3188  
**F:** +61 8 9321 1204

## Bankers

National Australia Bank Limited  
100 St Georges Terrace  
Perth WA 6000

## Share Registry

Automatic Group Australia  
Level 2, 267 St Georges  
Terrace  
Perth WA 6000

**T:** +61 2 8072 1400

## Legal Advisors

Bennett  
Level 14, Westralia Square  
141 St Georges Terrace  
Perth WA 6000

**T:** +61 8 6316 2200  
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## ABN

67 152 084 403

## Stock Exchange

Australian Securities  
Exchange Limited

## Corporate Governance

The Company has adopted the 4th Edition of the ASX Corporate Governance Recommendations. A summary statement which has been approved by the Board together with current policies and charters is available on the Company website at the following address:  
[www.tungstenmining.com/corporate-governance](http://www.tungstenmining.com/corporate-governance)

## Chairman's Letter

Dear Shareholders,

The past year has been one of transition for Tungsten Mining NL, as we move from a focus on project work and feasibility studies to one that is directed at partnering to ensure the successful development of our flagship, Mt Mulgine Tungsten Project ("Project").

Whilst the global pandemic has presented a number of obstacles to engaging with potential international partners, we are now seeing a reopening of borders facilitating travel and the opportunity for a more direct engagement with players in the global tungsten industry and those seeking exposure to it.

In January 2022 we entered into a non-binding memorandum of understanding ("MoU") with MCC International Incorporation Ltd ("MCCI"), a major global engineering company, to assist in the continued development of the Project. MCCI has extensive experience in process design, engineering and EPC contracting and can also partner with other specialist service providers, including those in Australia, to deliver a high level of services for the Project. Whilst the relationship has yet to mature beyond the MoU framework, we believe that the relationship retains the potential to provide a pathway to financing coupled with the delivery of EPC or EPCM services by MCCI.

The importance and value placed on tungsten in the global economy continues to gain prominence. Its role as a key driver of industrialisation and, as a consequence, ensuring the security of critical supply chains cannot be overstated. A raft of announcements by the Commonwealth government, in its own right or in conjunction with other Western nations illustrate the importance placed on ensuring the continued supply of critical minerals such as tungsten. Whether fulfilling its vital role to manufacturing in the form of tungsten carbide cutting tools or through innovation in applications in the chemical and electronics industry to deliver improved efficiencies in battery storage for electric vehicles, tungsten's unique properties continue to ensure its demand into the future.

The need to build resilient supply chains in traditional industrial sectors and emerging, like clean energy, will underpin the need for development of new supplies of tungsten globally. With China reported to have produced 87% of global tungsten in 2021 and an increasing desire by Western nations to diversify and mitigate supply risk, the opportunity exists for new sources of supply of tungsten concentrate to be developed.

As stated above, our primary focus now is to engage with potential partners to support the development of the Mulgine Project and realise the potential of the substantial resource inventory controlled by the Company. This has resulted in changes to our personnel as we restructure to meet the demands of the business. We have reduced the size of our project development team and rebalanced our executive, with our former CEO Mr Craig Ferrier stepping down from a full-time executive to consulting role with the Company. We are grateful for his continued involvement after 8 years as CEO of Tungsten Mining. On behalf of the Board, I would also like to acknowledge the dedication and contribution of the other staff that have left over the past year and we wish them well in their future endeavours.

I remain confident that we have a strategy to ensure the future success of both the Mulgine Project and Tungsten Mining NL.

Yours sincerely



Gary Lyons  
Chairman









## ● Review of Operations

### Strategy

Tungsten Mining NL (“the Company”) is focused on the discovery and development of tungsten deposits in Australia.

Through exploration and acquisition, the Company has established a portfolio of advanced tungsten projects across Australia with the objective of controlling a globally significant inventory of in-ground tungsten.

Tungsten Mining continues to implement its strategy directed at building a tungsten business of scale, with a current resource inventory of **41 million MTU’s (metric tonne units) of  $\text{WO}_3$  (tungsten trioxide) and 71,000 tonnes of Mo (molybdenum), 1 million ounces of Au (gold), 44 million ounces of Ag (silver) and 92,000 tonnes of Cu (copper)** (refer to accompanying Annual Ore Reserve and Mineral Resource Statement). This provides the platform for the Company to become a globally significant player within the primary tungsten market through the development of low-cost tungsten concentrate production.

The Mt Mulgine Tungsten Project is the cornerstone of the Company’s strategic development plan, focused on demonstrating a pathway to long term sustainable mining activities.

## Overview

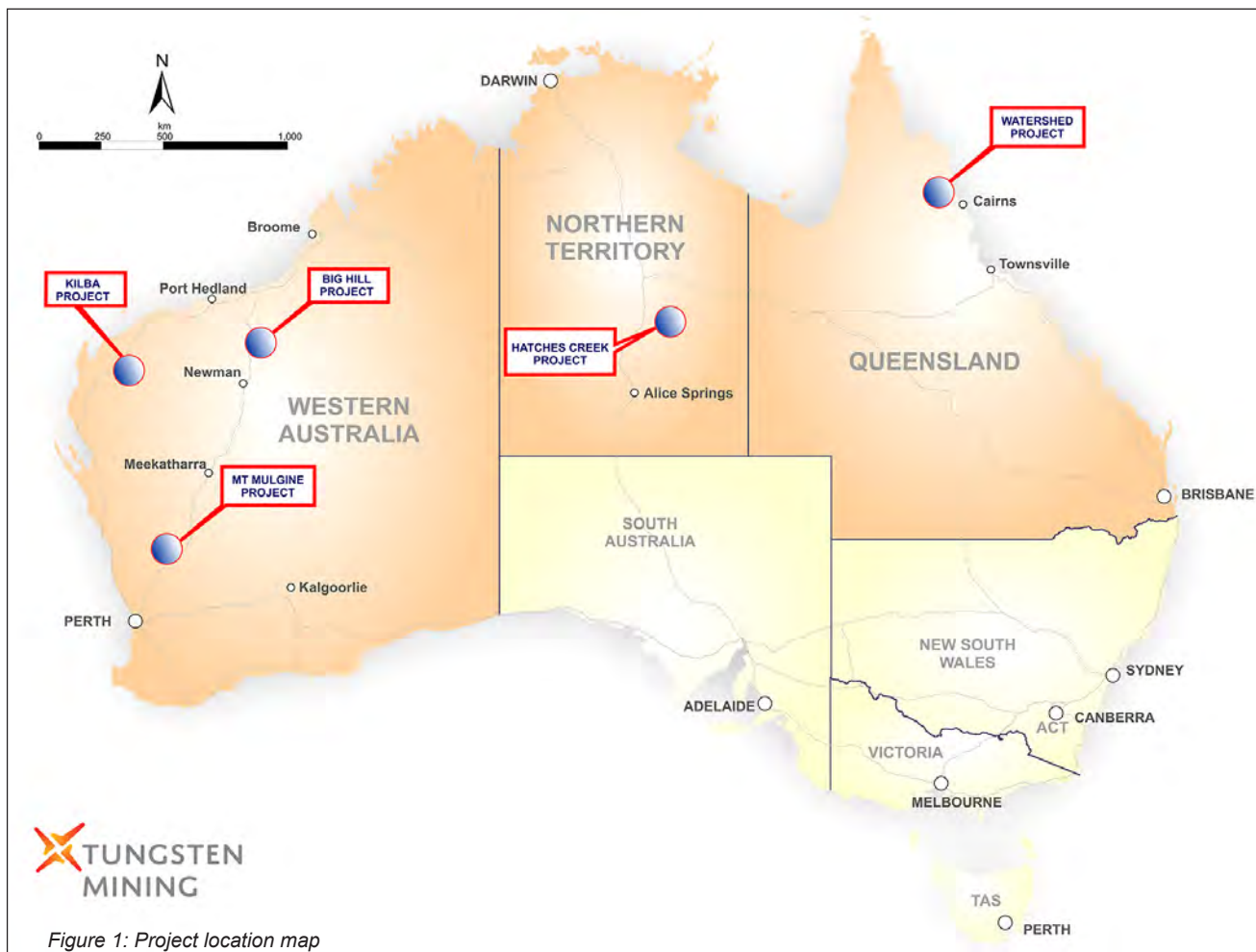


Figure 1: Project location map

During the 2022 financial year, Tungsten Mining has continued to advance the feasibility studies for the Mt Mulgine Tungsten Project and seek suitable partners capable of supporting the Project's development. This follows reporting the successful maiden Ore Reserve and positive Pre-Feasibility Study for the Mt Mulgine Project, announced to the market on 29 January 2021, which assessed the technical and financial viability of large-scale mining and processing activities.

A PQ diamond drilling program was undertaken during the financial year to collect core for further metallurgical test work with the aim of de-risking the metallurgical flowsheet, with approximately 37 tonnes (2,647m) of core recovered. Holes were designed to collect representative material throughout the deposit within the various stages of the proposed 23-year pit design. The core recovered from the drilling program was scanned using Corescan's

Hyperspectral Core Imager technology with the results used to assist in finalising the geo-metallurgical domaining within the Mulgine Trench deposit. The use of this material in future metallurgical test work will significantly de-risk the metallurgical flowsheet and process plant design.

In January 2022 the Company announced entering into a non-binding Memorandum of Understanding (MoU) with MCC International Incorporation Ltd (MCCI), a major global engineering company, and environmental studies continued during the financial year at Mt Mulgine.

Further details on these activities can be found elsewhere in this report and more fully in the relevant Company announcements and Quarterly Reports (refer [www.tungstenmining.com](http://www.tungstenmining.com)).



## Project Development Activities

As outlined above, Tungsten Mining has continued to advance the feasibility studies for the Mt Mulgine Tungsten Project. A pathway to de-risk and support the successful development of the Project was mapped out following the completion of the PFS.

To advance the existing studies and to provide samples for additional metallurgical test work and geological understanding at the Project a diamond drilling program was completed at Mt Mulgine during the financial year (Figure 2).

The program consisted of 29 PQ diamond holes for 862m of percussion pre-collars and 2,647m of diamond tails across the deposit to collect sufficient material from each geo-metallurgical domain for metallurgical test work. Holes were designed to collect representative material throughout the deposit within the various stages of the proposed 23-year pit design (Figure 3).



Figure 2: PQ metallurgical drilling underway at Mt Mulgine



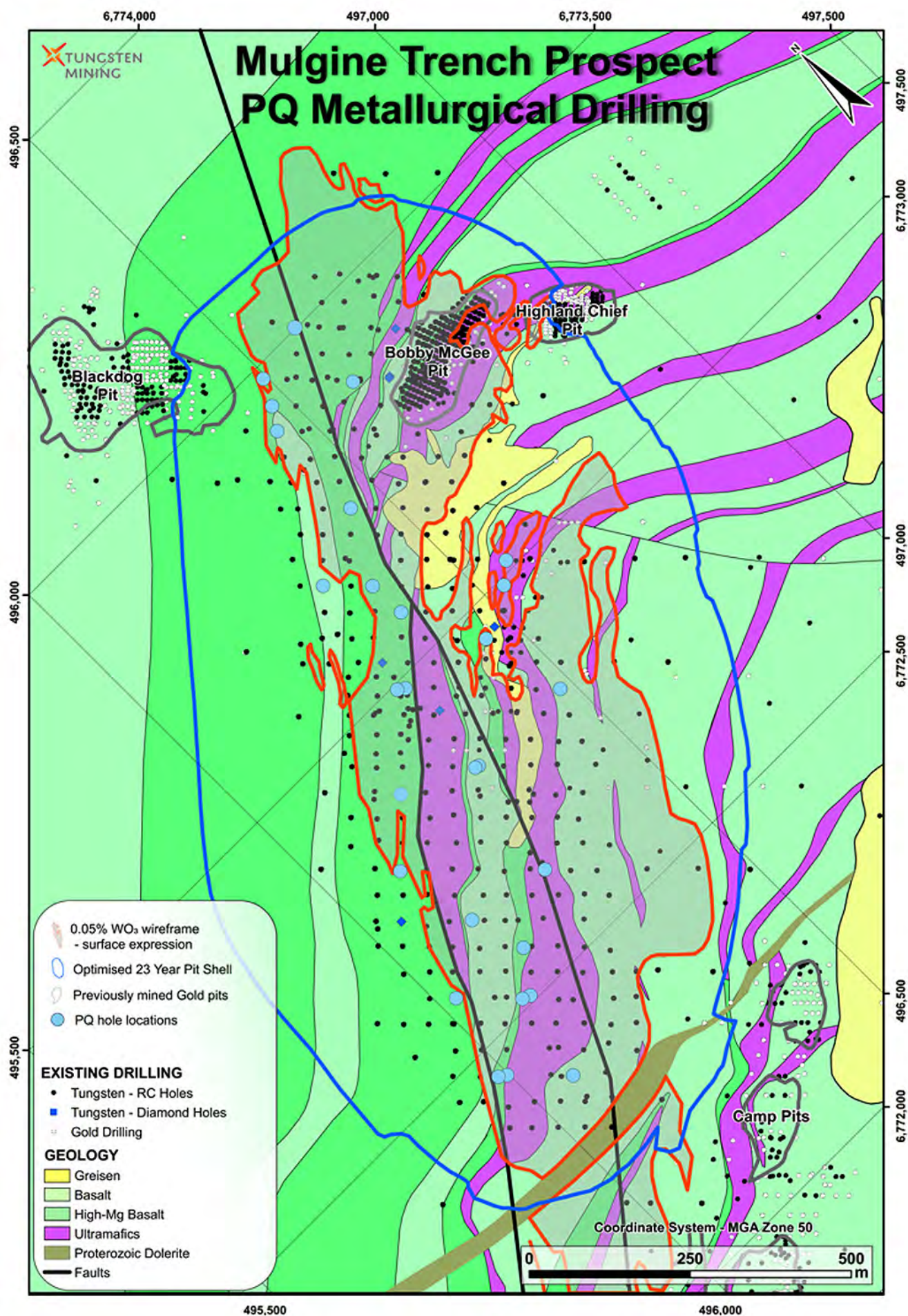


Figure 3: Location of PQ drilling (blue circles) on Mulgine Trench surface geology.



## Project Development Activities

Diamond holes twinned previous PFS drilling and given the size of the Mulgine Trench deposit, most of the core is expected to be strongly mineralised (Figure 4).

Approximately 37 tonnes of large diameter (PQ) diamond drill core were collected. The use of this material in future metallurgical test work will significantly de-risk the metallurgical flowsheet and process plant design.

The Company has also continued to advance its understanding of mineralisation at Mt Mulgine. Geological logging, multi-element geochemistry, Hyperspectral logging by Hylogger-3, Halo spectrometry and quantitative XRD

analysis have been used to define geological domains within the Mulgine Trench deposit.

This work has allowed for a detailed understanding of weathering profiles and determination of protolith rock types. The Mulgine Trench Deposit is hosted by a dominantly mafic-ultramafic complex that was subsequently intruded by a felsic / greisen unit. Several individual basalt and ultramafic sequences can be sub-divided into individual mappable units throughout the Trench Deposit. In addition, interpretation to the geological connectivity between the Mulgine Trench and Mulgine Hill Deposits has been completed (Figure 5).

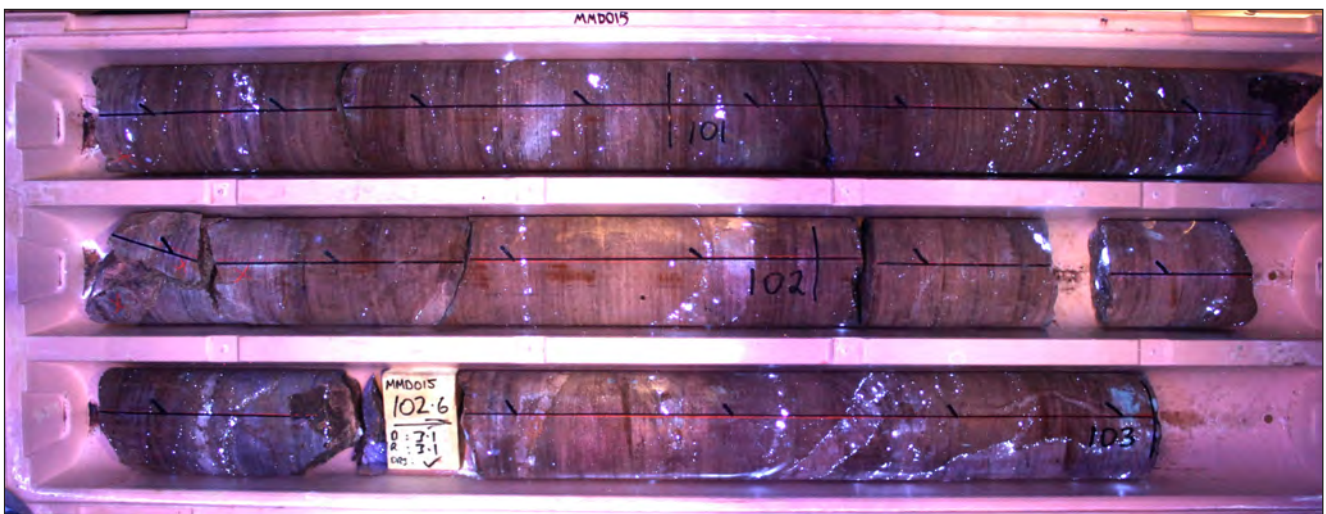


Figure 4: UV Photograph of typical mineralised core in MMD015 from 100.5m to 103.0m recovered from the September 2021 Mulgine Trench drilling program, showing coarse grained scheelite associated with quartz veining. The corresponding zone in the twin hole MMC319 assayed 4m at 0.11% WO<sub>3</sub> from 100m, within an overall mineralised envelope of 108m at 0.11% WO<sub>3</sub>, 70 ppm Mo from surface.

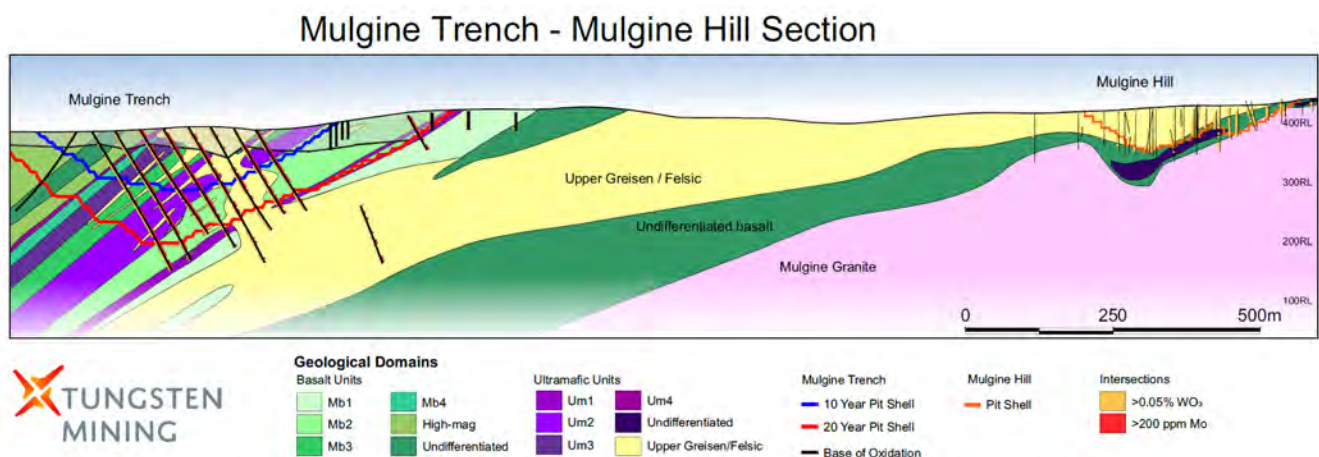


Figure 5: Interpreted geological domains (and sub-domains) at Mt Mulgine. Possible relationship / connectivity between the Mulgine Trench and Mulgine Hill deposits has been clarified for the first time.

Tungsten-molybdenum mineralisation at Mt Mulgine is associated with intense hydrothermal alteration related to intrusion of the Mulgine Granite. Several generations of veining have been recognised related to the Mt Mulgine Granite with tungsten mineralisation typically associated with 5mm to 100mm thick white to grey quartz veins. Tungsten occurs as dominantly coarse grained scheelite in or adjacent to vein margins.

Environmental studies continued at Mt Mulgine, with completion of short-range endemic (SRE) and P1 species *Acacia Sulcataulis* flora surveys on the project and adjacent tenements. The *Acacia Sulcataulis* flora survey included seed and genetic material collection to provide specific population data for the species and samples for seed viability investigations.

## Project Development Activities

Acacia Sulcataulis seeding trials using seeds collected from site commenced with Natural Area, a Perth based leader in environmental management (Figure 6).

The Native Vegetation Clearing Permit (NVCP) for the Mulgine Hill deposit was formally withdrawn during the year. This decision was predicated on further progress of the larger Mt Mulgine Project.

In January 2022 the Company announced entering into a non-binding Memorandum of Understanding (MoU) with MCC International Incorporation Ltd (MCCI), a major global engineering company, to establish a program of collaboration between MCCI and the Company in respect

to the completion of feasibility studies at Mt Mulgine. As contemplated under the MoU framework with MCCI, discussions occurred on a proposal from MCCI for a metallurgical test work program using a composite sample. Whilst the parties remain in discussion, no agreement has yet been reached concerning the testwork proposal or other matters contemplated by the MoU.

As a pre-cursor to this proposed program, a bulk sample of reserve material used for the PFS is undergoing preliminary “whole of ore” flotation test work in order to evaluate its viability to produce a saleable scheelite concentrate.



Figure 6: Seeding trials of Acacia Sulcataulis seeds using 100% top soil mix from site and 100% seed raising mix.



# Mt Mulgine Project, Murchison WA

The Mt Mulgine Project remains the highest priority development project for the Company.

It is located within the Murchison Region of Western Australia, approximately 350km north northeast of Perth. The Company has 100% of the tungsten and molybdenum rights on a contiguous group of tenements that have been the subject of significant previous exploration for tungsten and molybdenum. The Company also has the rights to all by-products from the mining of tungsten and molybdenum.

Two near surface Mineral Resources have been delineated at the Mulgine Trench and Mulgine Hill deposits. Currently, there is a combined Mineral Resource estimate of 259Mt at 0.11% WO<sub>3</sub>, 270ppm Mo, 0.12g/t Au, 5g/t Ag and 0.03% Cu (at 0.05% WO<sub>3</sub> cut-off). This is comprised from Indicated Resources of 183Mt @ 0.11% WO<sub>3</sub>, 290ppm Mo, 0.13g/t Au, 5g/t Ag, 0.04% Cu and Inferred Resources of 76Mt @ 0.11% WO<sub>3</sub>, 240ppm Mo, 0.09g/t Au, 5g/t Ag and 0.03% Cu.

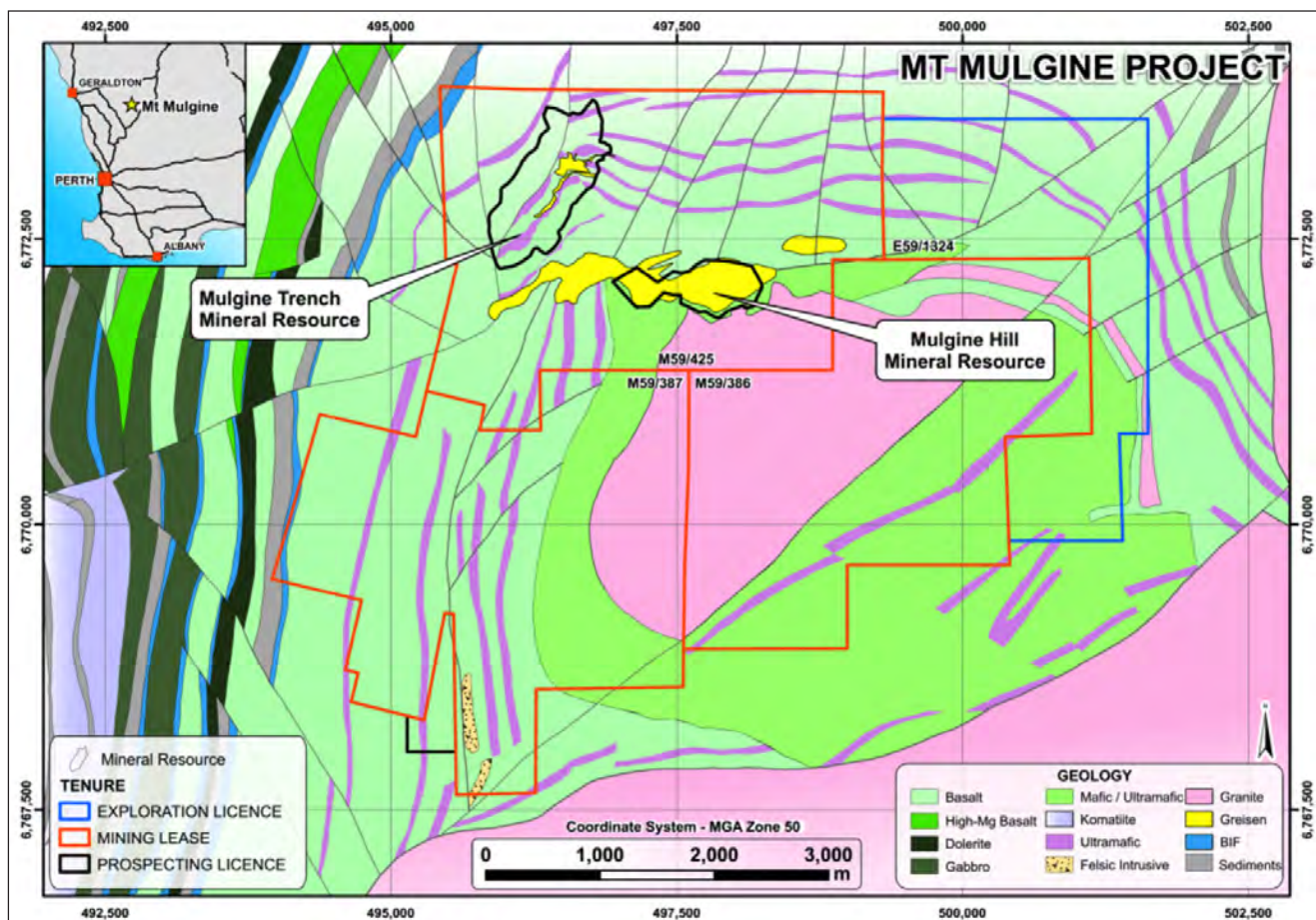


Figure 7: Location of Mulgine Hill Mineral and Mulgine Trench Mineral Resources.

## Mulgine Trench

Tungsten-molybdenum mineralisation at Mt Mulgine is associated with the Mulgine Granite - a high-level leucogranite forming a 2km stock that intrudes the Mulgine anticline (Figure 7). The granite intrudes a greenstone sequence composed of micaceous schists, amphibolite and talc-chlorite schist which were formerly metasediments, mafic and ultramafic rocks respectively.

Tungsten-molybdenum mineralisation at Mulgine Trench is associated with altered and quartz veined mafic and ultramafic units that form a 160 metre to 260 metre thick zone over 1.4 kilometres of strike and dips shallowly towards the northwest. Drilling has intersected stronger molybdenum-gold-silver-copper mineralisation associated with a 50m to 120m wide Lower Tungsten-Molybdenum Domain within the larger tungsten envelope.

## Mulgine Trench Mineral Resource

From the period July 2019 to February 2020, the Company completed resource definition drilling at Mulgine Trench consisting of 280 holes for 47,983 metres. An update to the Mulgine Trench Mineral Resource Estimate was completed by Optiro in May 2020 (following an interim update in December 2019).

This resulted in 70% of the mineralisation classified as Indicated and a 244% increase in tonnes, a 131% increase in contained tungsten and a 283% increase in contained molybdenum compared to the November 2014 Mineral Resource Estimate. In addition, a maiden resource was defined for associated minerals with approximately 1 million ounces of gold, 44 million ounces of silver and 92,000 tonnes of copper associated with the tungsten mineralisation.

# Mt Mulgine Project, Murchison WA

Refer to ASX announcements dated 19 December 2019 and 4 May 2020 for updated Mineral Resource Estimates for the Mulgine Trench deposit and to the accompanying Annual Mineral Resource and Ore Reserve Statement.

## Mulgine Hill

At Mulgine Hill, mineralisation is associated with the sub-horizontal upper contact of a mafic schist unit and overlying quartz-muscovite greisen. Tungsten occurs as scheelite in coarse disseminations within the greisen or within numerous quartz and greisen veins in both the mafic schists and the quartz-muscovite greisen. The Mineral Resource estimate for Mulgine Hill as of 21 March 2019 is 12.3 Mt at 0.16% WO<sub>3</sub> and 125 ppm Mo (Refer to ASX announcement dated 12 April 2019).

## Detailed Geological Modelling

The Company has continued to advance its understanding of mineralisation at Mt Mulgine. Geological logging, multi-element geochemistry, Hyperspectral logging by Hylogger-3, Halo spectrometry and quantitative XRD analysis have been used to define geological domains within the Mulgine Trench deposit.

This work has allowed for a detailed understanding of weathering profiles and determination of protolith rock types. The Mulgine Trench Deposit is hosted by a dominantly mafic-ultramafic complex that was subsequently intruded by a felsic / greisen unit. Several individual basalt and ultramafic sequences can be subdivided into individual mappable units throughout the Trench Deposit. In addition, interpretation to the geological connectivity between the Mulgine Trench and Mulgine Hill Deposits has been completed (Figure 8).

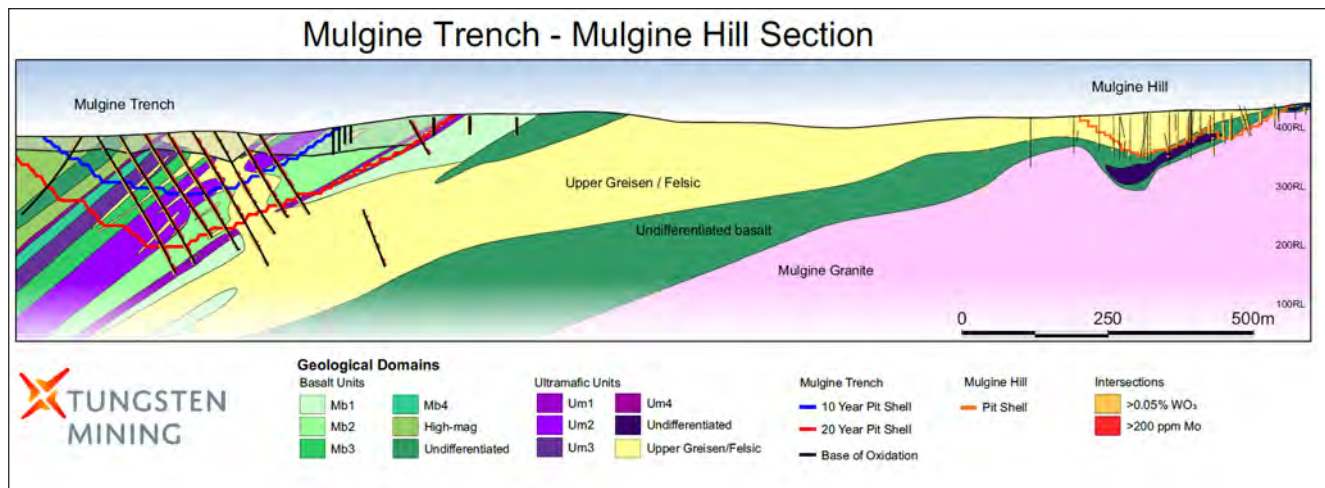


Figure 8: Interpreted geological domains (and sub-domains) at Mt Mulgine. Possible relationship / connectivity between the Mulgine Trench and Mulgine Hill deposits has been clarified for the first time.

Tungsten-molybdenum mineralisation at Mt Mulgine is associated with intense hydrothermal alteration related to intrusion of the Mulgine Granite. Several generations of veining have been recognised related to the Mt Mulgine Granite with tungsten mineralisation typically associated with 5mm to 100mm thick white to grey quartz veins. Tungsten occurs as dominantly coarse grained scheelite in or adjacent to vein margins.

During year the classification of the drill core into geo-metallurgical domains was completed. 29 holes for 3,509 metres (862 metres of percussion pre-collars and 2,647 metres of diamond tails) were drilled to collect PQ core for metallurgical test work. All core was scanned by Corescan Pty Ltd to map mineralogical assemblages and textures, and this was used to assign core into appropriate geo-metallurgical domains.



## Other Projects

### Hatches Creek Polymetallic Project, Davenport Province, NT

The Hatches Creek Project consists of two granted exploration licences covering 31.4 km<sup>2</sup> (EL22912 and EL23463), which cover the entire historic Hatches Creek tungsten mining centre. Hatches Creek is a large historical high-grade tungsten mining centre where mining was undertaken between 1915 and 1957. Previous recorded production is approximately 2,840 tonnes of 65% WO<sub>3</sub>. Bismuth concentrate and copper ore have also been produced.

On 3 June 2019 the Company announced that it had executed an agreement with GWR Group Limited (ASX: GWR) ("GWR") to farm-in to the Hatches Creek Project. The Farm-in Agreement provides for Tungsten Mining to direct and manage exploration and development activities at Hatches Creek where past drilling by GWR confirmed multiple high-grade polymetallic tungsten prospects and demonstrated potential for a large high-grade polymetallic tungsten deposit (refer GWR announcements dated 17 July 2018 and 22 May 2019).

The Project is located 375 km north east of Alice Springs in the Northern Territory of Australia (Figure 9).

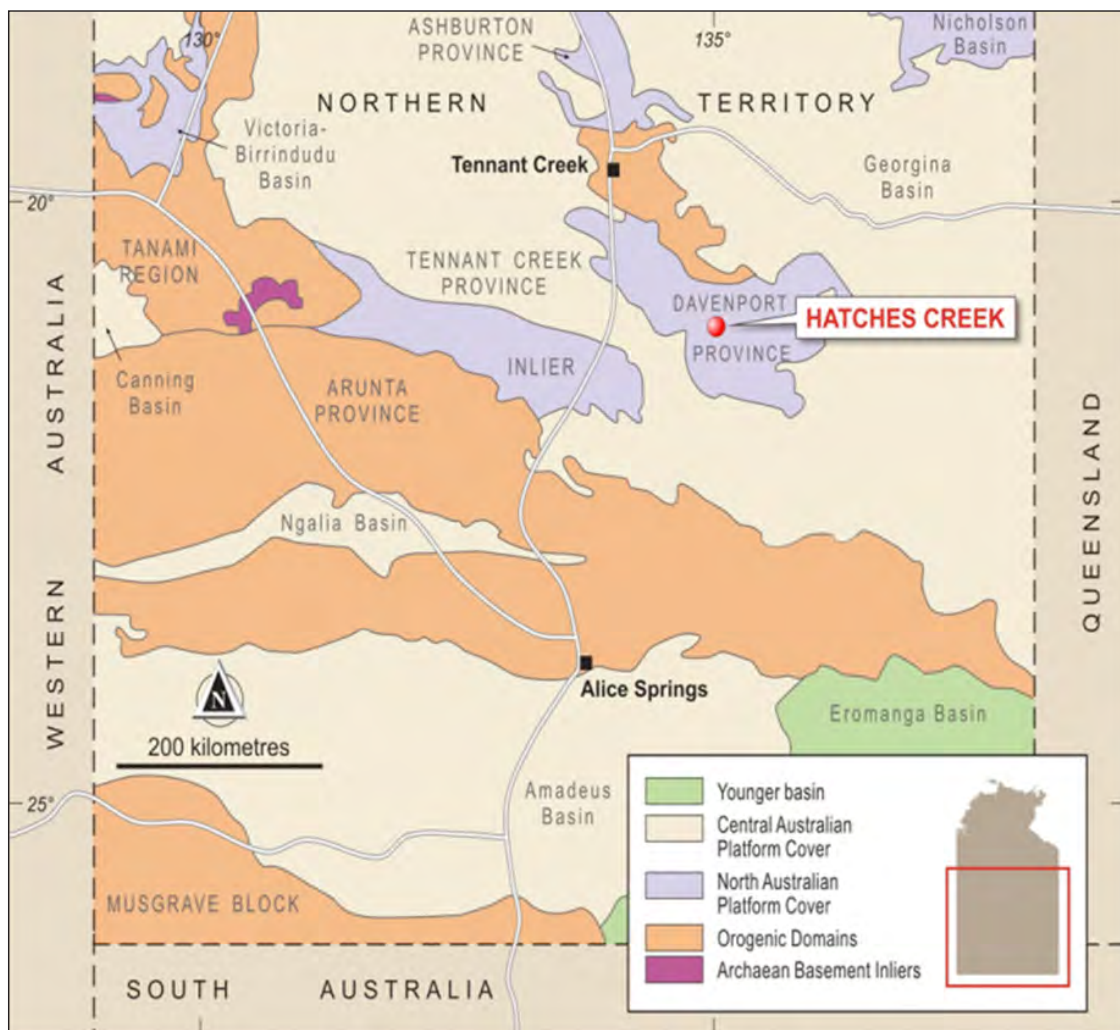


Figure 9: Hatches Creek Project location map.

Pursuant to the terms of the Farm-in Agreement, summarised in the announcement dated 3 June 2019, the Company acquired an initial 20% interest in the Project by reimbursing GWR for past exploration expenditure. Tungsten Mining can increase its interest to 51% by the expenditure of \$3,000,000 on exploration, development and mining activities within 5 years of the commencement date. Should a decision to mine be made by Tungsten Mining whilst in the sole fund stage, the Company has an option to acquire GWR's remaining interest for \$6.96m

(indexed for CPI). During the year, it was agreed to extend the first earn-in period by 3 months.

Further details on the results of recent and past drilling programs, Mineral Resource Estimate for surface dumps and the Exploration Target Estimate for the Hatches Creek Project are set out in GWR's ASX announcements dated 17 July 2018 and 22 May 2019. During the year, Tungsten Mining's activities were restricted to desktop studies, with no significant activities undertaken.

## Other Projects

### Watershed Project, Far North, Queensland

Watershed is located 130km north of Cairns (figure 10) in a mining friendly jurisdiction, with granted Mining Leases and an Environmental Authority for an open-pit development. Former project owner, Vital Metals Limited (Vital Metals) completed a Definitive Feasibility Study (DFS) for the project in 2014.

The Watershed Project substantially adds to Tungsten Mining's global resource inventory and boasts a JORC 2012 Mineral Resource Estimate of 49.3Mt grading 0.14% WO<sub>3</sub> comprising Measured Resources of 9.5Mt at 0.16% WO<sub>3</sub>, Indicated Resources of 28.4Mt at 0.14% WO<sub>3</sub> and

Inferred Resources of 11.5Mt at 0.15% WO<sub>3</sub> at a cut-off grade of 0.05% WO<sub>3</sub> (refer Vital Metals (VML) ASX announcement dated 4 July 2018 – Watershed Mineral Resources Restatement JORC Code 2012).

Tungsten Mining have completed a review of known historical geochemical stream sediment anomalies and is of the opinion that Anomaly 17 and Mt Elephant warrant further investigation. Tungsten Mining plan to undertake a first-pass soil sampling and geological mapping program over these targets in September 2022

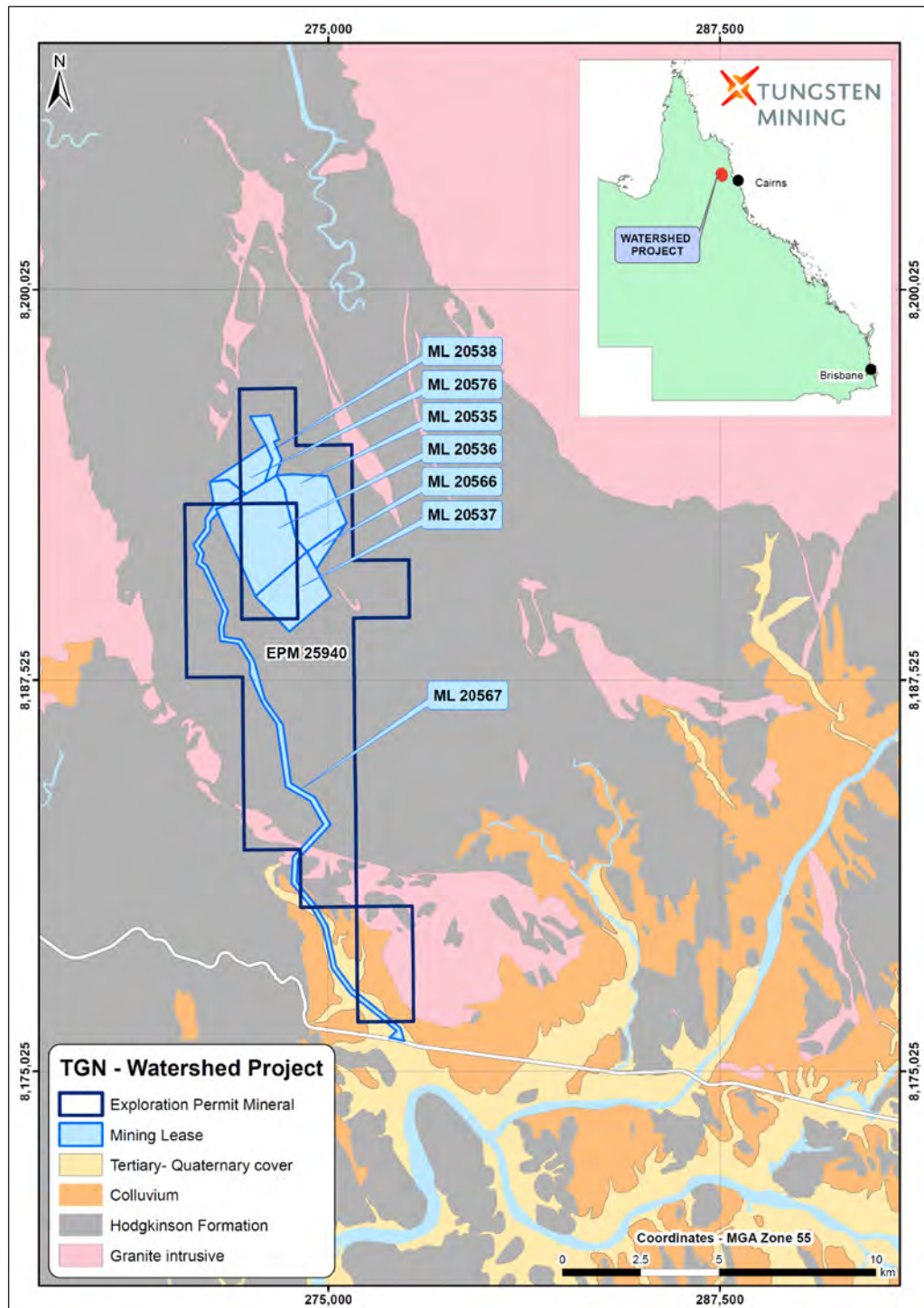


Figure 10: Watershed Project location map



## Other Projects

### Big Hill Project, Eastern Pilbara, WA

The Big Hill Project area is located approximately 30km northeast of the Nullagine township in the Eastern Pilbara of Western Australia. The project contains the Big Hill deposit where 22,871 metres of diamond and RC drilling have defined a JORC-2012 Mineral Resource estimate totalling 38.5Mt at 0.09% WO<sub>3</sub> (0.05% WO<sub>3</sub> cut-off) comprising an Indicated Resource of 15.8Mt at 0.11% WO<sub>3</sub> and an Inferred Resource of 22.7Mt at 0.09% WO<sub>3</sub>.

Metallurgical test work conducted on samples from Big Hill at bench and pilot scale has produced high quality tungsten concentrates at acceptable scheelite recoveries. This work has identified a simple and potentially low cost processing route.

In April 2020, DMIRS approved a 3 year extension to Retention License R46/3. There no significant activities undertaken at the Big Hill Project in the reporting period.

### Kilba Project, Ashburton Region, WA

The Kilba Project is located within the Ashburton Region of Western Australia, 250km southwest of Karratha. To date, Tungsten Mining has focused on the historic Zones 8, 11 and 12 that Union Carbide discovered in the 1970s. Drilling has targeted high-grade tungsten mineralisation associated with skarns and calc-silicate units situated close to the Kilba granite.

This work has defined a JORC-2012 compliant Mineral Resource totalling 7.2Mt at 0.19% WO<sub>3</sub> (0.05% WO<sub>3</sub> cut-off) comprising an Indicated Resource of 5.7Mt at 0.20% WO<sub>3</sub> and an Inferred Resource of 1.5Mt at 0.15% WO<sub>3</sub>.

Metallurgical test work shows that the tungsten is present as coarse-grained scheelite that will respond well to conventional gravity separation. Test work completed in 2015 has demonstrated the ability to produce an extremely high grade tungsten concentrate.

In May 2017, DMIRS approved a 5 year exemption from expenditure for M08/314 pursuant to the Mining Act. There were no significant activities undertaken for the Kilba Project during the reporting period.

## Community and Indigenous Relations

Tungsten Mining is committed to engaging with the Traditional Owners and other community stakeholders in each of the regions that it operates. This includes recognition for the culture, language, traditions and connection to country of Traditional Owners. To support these relationships agreements are place with various groups and across different project areas and we are committed to furthering opportunities for employment and economic and social development.

## Health and Safety

Tungsten Mining continued and will continue to improve and maintain measures to ensure the safety of all of its personnel, contractors, suppliers and community. There was 1 lost time injury recorded during the reporting period, occurring during the recovery of the PQ diamond core.

## Competent Person's Statement

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 a full-time employee of the company. 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.

The information in this report that relates to Mineral Resources at Mulgine Hill, Big Hill and Kilba are extracted from the reports titled 'Update on Activities at Mount Mulgine' released to the Australian Securities Exchange (ASX) on 12 April 2019, 'Big Hill June 2016 Mineral Resource Update' released to the ASX on 23 June 2016, and 'Kilba Mineral Resource Update' released to the ASX on 30 January 2015, all are available to view at [www.tungstenmining.com](http://www.tungstenmining.com). The information in this report that relates to Mineral Resource at Watershed is extracted from the report titled 'Watershed Mineral Resources Restatement JORC Code (2012)' released to the ASX on 4 July 2018 by Vital Metals Limited. The information in this report that relates to Mineral Resources at Mulgine Trench is extracted from the report titled 'Update of Mineral Resource Estimate for Mulgine Trench Deposit' released to the ASX on 4 May 2020 and available to view at [www.tungstenmining.com](http://www.tungstenmining.com). The information in this report that relates to Mt Mulgine Project Ore Reserves is extracted from ASX release on 29 January 2021: 'Maiden Ore Reserve Estimate – Mt Mulgine Project' and available to view at [www.tungstenmining.com](http://www.tungstenmining.com).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements and that all material assumptions and technical parameters underpinning the estimates, of Mineral Resources and Ore Reserves, in original ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcements.









# Annual Mineral Resource and Ore Reserve Statement

## As at 30 June 2022

### Annual Review

The Company has conducted a review of its Mineral Resources and Ore Reserves. This review reveals no material change to the Ore Reserve and Mineral Resource information previously announced in the Company's 2021 Annual Report.

Ore Reserve and Mineral Resource information is limited to projects where the Company holds at least a 51% equity or joint venture interest.

The Company has adopted "universal" reporting of Mineral Resources at a 0.05% WO<sub>3</sub> cut-off grade which is consistent with the Company's major (or flagship) Mt Mulgine project.

# Mt Mulgine Project

The Mt Mulgine Project is located within the Murchison Region of Western Australia, approximately 350km north northeast of Perth. The Company has 100% of the tungsten and molybdenum rights on a contiguous group of tenements that have been the subject of significant previous exploration for tungsten and molybdenum. The Company also has the rights to all by-products from the mining of tungsten and molybdenum.

Two near surface Mineral Resources have been delineated by previous explorers at the *Mulgine Trench* and *Mulgine Hill deposits*. Mulgine Trench had previously been reported in December 2014 using JORC-2012 guidelines by previous owners. During the 2020 financial year, the Company completed 280 RC holes for 47,983 metres (47,388 metre of RC drilling, 595 metres in seven HQ diamond tails). In May 2020, the Company published an updated Mineral Resource estimate for Mulgine Trench incorporating this drilling and sampling in accordance with JORC-2012 guidelines. In January 2021 the Company announced the positive results of the PFS and reported its maiden Ore Reserve for the Mt Mulgine Project.

## Ore Reserves

As at 30 June 2022, total JORC-2012 Proven and Probable Ore Reserves were as follows:

### Mt Mulgine Ore Reserve Estimate based on a minimum cut-off grade of 0.074% WO<sub>3</sub>

Deposit	Reserve Category	Tonnes (Mt)	Grade WO <sub>3</sub> (%)	Grade Mo (ppm)	Grade Au (g/t)	Grade Ag (g/t)	Grade Cu (%)
<b>Mulgine Trench</b>							
	Proved	-	-	-	-	-	-
	Probable	135	0.10	293	0.12	6.1	0.04
	<b>Total</b>	<b>135</b>	<b>0.10</b>	<b>293</b>	<b>0.12</b>	<b>6.1</b>	<b>0.04</b>
<b>Mulgine Hill</b>							
	Proved	-	-	-	-	-	-
	Probable	5	0.21	134	-	-	-
	<b>Total</b>	<b>5</b>	<b>0.21</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mt Mulgine Project</b>							
	Proved	-	-	-	-	-	-
	Probable	140	0.10	288	0.12	5.9	0.03
	<b>Total</b>	<b>140</b>	<b>0.10</b>	<b>288</b>	<b>0.12</b>	<b>5.9</b>	<b>0.03</b>

*Estimate for Mt Mulgine Project using:*

- A 0.074% WO<sub>3</sub> equivalent cut-off grade
- Mining factors of 5% dilution at zero grade and 5% ore loss applied
- All tonnes quoted are dry tonnes
- Data is reported using significant figures to reflect appropriate precision and may not sum precisely due to rounding

The Ore Reserve Statement for the Mt Mulgine Project was first published in an announcement to ASX on 29 January 2021 and was prepared in accordance with the 2012 edition of the JORC Code. Details of the modifying factors and information required for Table 1 Section 4 of the JORC Code are set out in an annexure to that announcement. The results of the Pre-Feasibility Study for Mt Mulgine Tungsten Project were also reported to ASX on 29 January 2021.



# Mt Mulgine Project

## Mineral Resources

As at 30 June 2022, total JORC-2012 Measured, Indicated and Inferred Mineral Resources were as follows:

### Mt Mulgine Mineral Resource estimate based on a 0.05% WO<sub>3</sub> cut-off grade

Class	Million Tonnes	WO <sub>3</sub> %	WO <sub>3</sub> (Kt)	Mo (ppm)	Mo (Kt)	Au (g/t)	Au (Koz)	Ag (g/t)	Ag (Moz)	Cu %	Cu (Kt)
<b>Mulgine Trench (May 2020)</b>											
<b>Indicated</b>	175	0.11	190	290	51	0.14	770	6	32	0.04	69
<b>Inferred</b>	72	0.11	80	250	18	0.10	230	5	12	0.03	24
<b>Total</b>	<b>247</b>	<b>0.11</b>	<b>270</b>	<b>280</b>	<b>69</b>	<b>0.13</b>	<b>1,000</b>	<b>6</b>	<b>44</b>	<b>0.04</b>	<b>92</b>
<b>Mulgine Hill (April 2019)</b>											
<b>Indicated</b>	8.3	0.18	15	128	1.1	-	-	-	-	-	-
<b>Inferred</b>	4.0	0.12	4.8	118	0.5	-	-	-	-	-	-
<b>Total</b>	<b>12.3</b>	<b>0.16</b>	<b>20</b>	<b>125</b>	<b>1.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mt Mulgine (Total)</b>											
<b>Indicated</b>	183	0.11	205	290	52	0.13	770	5	32	0.04	69
<b>Inferred</b>	76	0.11	85	240	18	0.09	230	5	12	0.03	24
<b>Total</b>	<b>259</b>	<b>0.11</b>	<b>290</b>	<b>270</b>	<b>71</b>	<b>0.12</b>	<b>1,000</b>	<b>5</b>	<b>44</b>	<b>0.03</b>	<b>92</b>

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

The Mineral Resource Statement for the Mulgine Trench prospect was published by the Company in May 2020 (refer ASX announcement - 4 May 2020), whilst the Mineral Resource Statement for the Mulgine Hill prospect was published in the ASX announcement of the Company on 12 April 2019.

## Watershed Project

Watershed is located 130km north of Cairns in far north Queensland, with granted Mining Leases and an Environmental Authority for an open-pit development. Former project owner, Vital Metals Limited (Vital Metals) completed a Definitive Feasibility Study (DFS) for the project in 2014.

### Ore Reserves

As at 30 June 2022, total JORC-2012 Proven and Probable Ore Reserves were as follows:

#### Watershed Ore Reserve based on a minimum cut-off grade of 0.05% WO<sub>3</sub>

Prospect	Class	Tonnes Mt	WO <sub>3</sub> %	WO <sub>3</sub> Kt
Watershed	Proven	6.4	0.16	10
	Probable	15.0	0.14	21
	<b>Total</b>	<b>21.3</b>	<b>0.15</b>	<b>31</b>

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

The Ore Reserve Statement for the Watershed Project was first published by Vital Metals in an announcement to ASX on 17 September 2014 and was prepared in accordance with the 2012 edition of the JORC Code. Details of the modifying factors and information required for Table 1 Section 4 of the JORC Code are set out in an annexure to that announcement.

### Mineral Resources

As at 30 June 2022, total JORC-2012 Measured, Indicated and Inferred Mineral Resources were as follows:

#### Watershed Mineral Resource estimate based on a 0.05% WO<sub>3</sub> cut-off grade

Prospect	Class	Tonnes Mt	WO <sub>3</sub> %	WO <sub>3</sub> Kt
Watershed	Measured	9.5	0.16	15
	Indicated	28.4	0.14	40
	Inferred	11.5	0.15	17
	<b>Total</b>	<b>49.3</b>	<b>0.14</b>	<b>70</b>

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

The Mineral Resource Statement for the Watershed prospect was announced by Vital Metals on 4 July 2018 and prepared in accordance with the 2012 edition of the JORC Code. The Company completed the acquisition of North Queensland Tungsten Pty Ltd, the holder of a 100% interest in the Watershed Project in August 2018. The Company confirms it is not aware of any new information or data that materially affects the information and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed.

## Big Hill Project

The Big Hill Project area is located approximately 30 km northeast of the Nullagine township in the Eastern Pilbara of Western Australia. In June 2016 the Company published an updated mineral resource estimate for Big Hill in accordance with JORC-2012 guidelines.

### Mineral Resources

As at 30 June 2022, total JORC-2012 Measured, Indicated and Inferred Mineral Resources were as follows:

#### Big Hill Mineral Resource estimate based on a 0.05% WO<sub>3</sub> cut-off grade

Prospect	Class	Tonnes Mt	WO <sub>3</sub> %	WO <sub>3</sub> Kt
Big Hill	Indicated	15.8	0.11	17
	Inferred	22.7	0.09	19
	<b>Total</b>	<b>38.5</b>	<b>0.09</b>	<b>36</b>

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

The Mineral Resource Statement for the Big Hill prospect was announced by the Company on 22 June 2016 and prepared in accordance with the 2012 edition of the JORC Code. The Company confirms it is not aware of any new information or data that materially affects the information and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed.

## Kilba Project

The Kilba Project is located within the Ashburton Region of Western Australia, 320 km northeast of the regional centre of Carnarvon, and 250km southwest of the town of Karratha.

### Mineral Resources

As at 30 June 2022, total JORC-2012 Measured, Indicated and Inferred Mineral Resources were as follows:

#### Kilba Mineral Resource estimate based on a 0.05% WO<sub>3</sub> cut-off grade

Prospect	Class	Tonnes Mt	WO <sub>3</sub> %	WO <sub>3</sub> Kt
Total	Indicated	5.7	0.20	11.5
	Inferred	1.5	0.15	2.2
	<b>Total</b>	<b>7.2</b>	<b>0.19</b>	<b>13.7</b>

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

The Mineral Resource Statement for the Kilba Project was published by the Company on 30 January 2015 and prepared in accordance with the 2012 edition of the JORC Code. The Company confirms it is not aware of any new information or data that materially affects the information and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the relevant market announcement continue to apply and have not materially changed.

## Comparison of Ore Reserves and Mineral Resources against the 2021 Annual Report

The Company reported Measured, Indicated and Inferred Mineral Resources at the Mt Mulgine, Watershed, Kilba, and Big Hill projects in the 2021 Annual Report. The Company reported Proven and Probable Ore Reserves at the Mt Mulgine and Watershed projects in the 2021 Annual Report.

A comparison of the Company's Ore Reserve and Resource holdings as at 30 June 2022 against the 2021 Annual Report are tabulated below:

### Comparison of Ore Reserves against the 2021 Annual Report (minimum 0.05% WO<sub>3</sub> cut-off grade)

Prospect	Category	30 June 2021				30 June 2022			
		Tonnes	WO <sub>3</sub>	WO <sub>3</sub> Metal		Tonnes	WO <sub>3</sub>	WO <sub>3</sub> Metal	
		Mt	%	Kt	%	Mt	%	Kt	%
Mt Mulgine	Proven	-	-	-	-	-	-	-	-
	Probable	140	0.10	140	100	140	0.10	140	100
	<b>Total</b>	<b>140</b>	<b>0.10</b>	<b>140</b>	<b>100</b>	<b>140</b>	<b>0.10</b>	<b>140</b>	<b>100</b>
Watershed	Proven	6.4	0.16	10	32	6.4	0.16	10	32
	Probable	15.0	0.14	21	68	15.0	0.14	21	68
	<b>Total</b>	<b>21.3</b>	<b>0.15</b>	<b>31</b>	<b>100</b>	<b>21.3</b>	<b>0.15</b>	<b>31</b>	<b>100</b>
<b>Total</b>	Proven	6.4	0.16	10	6	6.4	0.16	10	6
	Probable	155	0.10	161	94	155	0.10	161	94
	<b>Total</b>	<b>161.4</b>	<b>0.11</b>	<b>171</b>	<b>100</b>	<b>161.4</b>	<b>0.11</b>	<b>171</b>	<b>100</b>

*Note: Totals may differ from sum of individual numbers as numbers have been rounded in accordance with the Australian JORC code 2012 guidance on Mineral Resource reporting. (Table only includes tungsten being the mineral of primary interest).*



## Comparison of Ore Reserves and Mineral Resources against the 2021 Annual Report

Comparison of Mineral Resources against the 2021 Annual Report (minimum 0.05% WO<sub>3</sub> cut-off grade)

Prospect	Category	30 June 2021				30 June 2022			
		Tonnes	WO <sub>3</sub>	WO <sub>3</sub> Metal		Tonnes	WO <sub>3</sub>	WO <sub>3</sub> Metal	
		(Mt)	(%)	(Kt)	%	(Mt)	(%)	(Kt)	(%)
Mulgine Trench	Indicated	175	0.11	190	70%	175	0.11	190	70%
	Inferred	72	0.11	80	30%	72	0.11	80	30%
	<b>Total</b>	<b>247</b>	<b>0.11</b>	<b>270</b>	<b>100%</b>	<b>247</b>	<b>0.11</b>	<b>270</b>	<b>100%</b>
Mulgine Hill	Indicated	8.3	0.18	15	75%	8.3	0.18	15	75%
	Inferred	4.0	0.12	4.8	25%	4.0	0.12	4.8	25%
	<b>Total</b>	<b>12.3</b>	<b>0.16</b>	<b>20</b>	<b>100%</b>	<b>12.3</b>	<b>0.16</b>	<b>20</b>	<b>100%</b>
Big Hill	Indicated	15.8	0.11	17	47%	15.8	0.11	17	47%
	Inferred	22.7	0.09	19	53%	22.7	0.09	19	53%
	<b>Total</b>	<b>38.5</b>	<b>0.09</b>	<b>36</b>	<b>100%</b>	<b>38.5</b>	<b>0.09</b>	<b>36</b>	<b>100%</b>
Kilba	Indicated	5.7	0.20	11.5	84%	5.7	0.20	11.5	84%
	Inferred	1.5	0.15	2.2	16%	1.5	0.15	2.2	16%
	<b>Total</b>	<b>7.2</b>	<b>0.19</b>	<b>13.7</b>	<b>100%</b>	<b>7.2</b>	<b>0.19</b>	<b>13.7</b>	<b>100%</b>
Watershed	Measured	9.5	0.16	15	21%	9.5	0.16	15	21%
	Indicated	28.4	0.14	40	55%	28.4	0.14	40	55%
	Inferred	11.5	0.15	17	24%	11.5	0.15	17	24%
	<b>Total</b>	<b>49.3</b>	<b>0.14</b>	<b>70</b>	<b>100%</b>	<b>49.3</b>	<b>0.14</b>	<b>70</b>	<b>100%</b>
<b>Total</b>	Measured	9.5	0.16	15	4%	9.5	0.16	15	4%
	Indicated	233	0.12	273	66 %	233	0.12	273	66 %
	Inferred	111	0.11	124	30%	111	0.11	124	30%
	<b>Total</b>	<b>354</b>	<b>0.12</b>	<b>410</b>	<b>100%</b>	<b>354</b>	<b>0.12</b>	<b>410</b>	<b>100%</b>

Note: Totals may differ from sum of individual numbers as numbers have been rounded in accordance with the Australian JORC code 2012 guidance on Mineral Resource reporting. (Table only includes tungsten being the mineral of primary interest).

## Governance and Internal Controls - Reserve and Resource Calculations

The Company used third party resource consultants to estimate its ore reserves and resources at each of its projects according to the 2012 JORC Code, as have previously been reported.

No further mineral resource estimations or upgrading work has been undertaken on the Company's Mulgine Trench, Mulgine Hill, Kilba, Big Hill or Watershed deposits since the estimates reported on 4 May 2020, 12 April 2019, 30 January 2015, 22 June 2016 and 4 July 2018 respectively, and the Company is not aware of any additional information that would have a material effect on these estimates as reported.

Due to the nature, stage and size of the Company's existing operations, the Board believes there would be no efficiencies gained by establishing a separate mineral reserves and resources committee responsible for reviewing and monitoring the Company's processes for calculating mineral reserves and resources and for ensuring that the appropriate internal controls are applied to such calculations.

## Competent Person's Statement

The information in this Annual Mineral Resources and Ore Reserves Statement is based on, and fairly represents, information and supporting documentation compiled by Peter Bleakley, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bleakley is a full-time employee of the company and 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.



## Schedule of Interests in Mining Tenements

## Schedule of Interests in Mining Tenements

Tenement Name	Tenement	Holder	Interest Held at 30 June 2022
Kilba Well	M08/314	SM3-W Pty Ltd	100%
Kilba Well	E08/2780	SM3-W Pty Ltd	100%
Mt Mulgine *	E59/1324-I	Minjar Gold Pty Ltd	100% mineral rights for tungsten and molybdenum
Mt Mulgine *	M59/386-I	Minjar Gold Pty Ltd	100% mineral rights for tungsten and molybdenum
Mt Mulgine *	M59/387-I	Minjar Gold Pty Ltd	100% mineral rights for tungsten and molybdenum
Mt Mulgine *	M59/425-I	Minjar Gold Pty Ltd	100% mineral rights for tungsten and molybdenum
Mt Mulgine *	L59/161	Mid-West Tungsten Pty Ltd	100%
Mt Mulgine *	L59/162	Mid-West Tungsten Pty Ltd	100%
Mt Mulgine *	L59/190	Mid-West Tungsten Pty Ltd	100%
Mt Mulgine *	P59/2244	Mid-West Tungsten Pty Ltd	100%
Big Hill	L46/70	Pilbara Tungsten Pty Ltd	100%
Big Hill	R46/70	Pilbara Tungsten Pty Ltd	100%
Watershed	ML20535	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20536	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20537	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20538	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20566	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20567	North Queensland Tungsten Pty Ltd	100%
Watershed	ML20576	North Queensland Tungsten Pty Ltd	100%
Watershed	EPM25940	North Queensland Tungsten Pty Ltd	100%
Hatches Creek	EL22912	Territory Tungsten Pty Ltd	20%
Hatches Creek	EL23463	Territory Tungsten Pty Ltd	20%

Notes:

\* Certain Mt Mulgine tenements are registered in the name of Minjar Gold Pty Ltd with Mid-West Tungsten Pty Ltd (MWT), a subsidiary of Tungsten Mining NL being the holder of the Tungsten and Molybdenum Mineral Rights. MWT is the registered holder of Prospecting License P59/2244 and Miscellaneous Licenses L59/161, L59/162 and L59/190.





# 2022 Financial Report

# Directors' Report

The directors of Tungsten Mining NL ("Tungsten Mining" or "the Company") present their report for Tungsten Mining NL, comprising the Company and the entities it controls ("the Group"), for the year ended 30 June 2022.

## DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

### Names, qualifications, experience and special responsibilities



**Gary Lyons**  
**Non-executive Chairman**

Mr Lyons is a successful and well respected Perth based businessman; being a shareholder and the Managing Director of the Heiniger Group's Australasian operations for over 30 years.

Mr Lyons was appointed a director on 16 July 2014 and elected non-executive chairman on 5 January 2015. Mr Lyons is a member of the Audit Risk Management Committee.

*Other present ASX company directorships: GWR Group Limited, eMetals Limited, Western Gold Resources Limited*

*Other previous ASX company directorships (last 3 years): Nil*



**Tan Sri Dato' Tien Seng Law**  
**Non-executive Deputy Chairman**

Mr Law was appointed to the Board on 15 January 2018.

Mr Law is a highly experienced investor in iron ore companies and was previously the Deputy Chairman and major shareholder of Midwest Corporation Limited. Mr Law also has extensive business interests and investments in China. Mr Law is currently the executive Chairman of T.S. Law Holding Sdn Bhd, an investment holding company in Malaysia, covering a diverse range of industries. These companies include those with activities in steel making and distribution, property investment and development and food and beverage.

Mr Law is the appointed Malaysian Business Advisor of Jinan Group of Companies of the Shandong Province, the People's Republic of China. He has a substantial interest in Ji Kang Dimensi Sdn Bhd, a company within the Jinan Group of Companies operating a steel plates manufacturing plant in Malaysia.

Mr Law is a substantial stakeholder and Deputy Chairman of Hiap Teck Venture Berhad, a Malaysian listed company engaged in distribution and trading of steel related products and as well as manufacturing of steel pipes.

Mr Law through Hiap Teck Venture Bhd, entered into a joint venture with Beijing's Jianlong Heavy Industry Group Co. Ltd to set up Eastern Steel Sdn Bhd (ESSB), an integrated steel mill with a production capacity of 1.5 million MT, located on the east coast of Peninsula Malaysia. The Jianlong Group ranks eighth in the world and fifth in China for steel making.

*Other present ASX company directorships: GWR Group Limited*

*Other previous ASX company directorships (last 3 years): Nil*

# Directors' Report



**Kong Leng (Jimmy) Lee**  
Non-executive Director

Mr Lee is a mining engineer with more than 30 years of industry experience and is a member of AusIMM. He has successfully worked with a number of major Australian mining companies and has held senior positions with Hamersley Iron Ltd, Dominion Mining Ltd, Christmas Island Phosphates, North Ltd and Carey Mining Ltd.

Mr Lee provides mining and corporate advisory services to the mining industry and was formerly a founding director of Terrain Minerals Limited. In addition, he has a successful track record with contract negotiations and company investment strategies. Mr Lee is a member of the Audit Risk Management Committee.

*Other present ASX company directorships: GWR Group Limited*  
*Other previous ASX company directorships (last 3 years): Nil*



**Chew Wai Chuen**  
Non-executive Director

Mr Chew Wai Chuen was appointed to the Board as a non-executive Director on 17 April 2014. He is also a member of Audit Risk Management Committee.

Mr Chew is presently the Chairman and Independent Director of Fortress Minerals Limited, a resources company listed on the Singapore Securities Exchange (SGX), whose primary focus is on the exploration and development of iron ore projects in Malaysia, and is also the Managing Partner of Precious Capital Pte Ltd, a company engaged in the business of providing management and advisory services to mining companies in Australia and South East Asia.

Mr. Chew has more than 15 years of financial advisory experience and specializes in the provision of corporate and wealth management for ultra-high net worth individuals. He has accumulated experience in the private banking sector with Credit Suisse, United Overseas Bank, Standard Chartered Bank and OCBC Bank.

In 2000, Mr Chew has obtained his bachelor's degree in business administration from Thames Valley University.

*Other present ASX company directorships: Nil*  
*Other previous ASX company directorships (last 3 years): Nil*



**Teck Siong Wong**  
Executive Director and interim Chief Executive Officer

Mr Wong was appointed as an executive Director and interim Chief Executive Officer on 9 August 2022. Prior to this appointment, he was Non-executive Director.

Mr Wong has considerable international business experience having worked in Hong Kong, the United Kingdom and now in Malaysia and Indonesia after graduating with a Bachelor of Business degree from Swinburne University (Melbourne).

Mr Wong is involved with the iron ore mining industry in Indonesia. He was previously involved in the sales and export of steel related products and was a director of a retail chain business in the United Kingdom, previously known as JW Carpenter Ltd. Mr Wong was working in the OEM plastic manufacturing industry in Hong Kong prior to taking up a position in the steel industry in Malaysia. Mr Wong is a member of the Audit Risk Management Committee.

*Other present ASX company directorships: eMetals Limited and Western Gold Resources Limited. Alternate director at GWR Group Limited for Tan Sri Dato' Tien Seng Law*  
*Other previous ASX company directorships (last 3 years): Nil*



# Directors' Report



## **Russell Clark** **Non-executive Director**

Mr Clark was appointed as a non-executive Director on 11 February 2020.

Mr Clark is a highly experienced and successful senior resource sector executive, and has more than 40 years' experience in corporate, operational and project development roles in Australia and elsewhere. He is currently also the Chairman of ASX listed iron ore development companies Pearl Gull Iron and CZR Resources.

Mr Clark's experience includes being the Managing Director of Wolf Minerals, CEO of Azimuth Resources, CEO of Kasbah Resources and Managing Director of Grange Resources. Prior to these roles he worked for Renison Goldfields for 18 years at numerous mining operations and spent eight years with Newmont where his final role was Group Executive of Operations, responsible for seven mining operations in Australia and New Zealand.

As Managing Director of Wolf Minerals, Mr Clark successfully oversaw the financing and construction of the Hemerdon tungsten project in Devon, UK, an open pit mining operation and processing plant producing tungsten concentrate.

Mr Clark holds a Mining Engineering degree (BSc Hons) from the Royal School of Mines, London, UK and Graduate Diploma from the Securities Institute of Australia. He is a fellow of the Australian Institute of Company Directors. Mr Clark is a member of the Audit Risk Management Committee.

*Other present ASX company directorships: CZR Resources Limited, Pearl Gull Iron Limited*

*Other previous ASX company directorships (last 3 years): Nil*



## **Wai Cheong Law** **Alternate Director for Tan Sri Dato' Tien Seng Law**

Mr Law was appointed as an alternate director to Tan Sri Dato' Tien Seng Law on 20 July 2018.

Mr Law holds an LLB (Hons) from Cardiff University in Wales, UK, and an MSc in Management from Cass Business School, University of London, UK. He is also a Barrister-at-Law at Lincoln's Inn.

Mr Law has experience in various facets of business and industry. He currently oversees and spearheads the business development for the Malaysian family-owned TS Law Group, a burgeoning and diversified group of companies engaged in steel production, mining and property development and investments in Malaysia, China, Australia, United Kingdom and the USA. Mr Law is also an executive member of the board of directors of Hiap Teck Venture Berhad, a Malaysian PLC.

*Other present ASX company directorships: Nil*

*Other previous ASX company directorships (last 3 years): Nil*

# Directors' Report

## COMPANY SECRETARIES



**Mark Pitts**

Mr Pitts is a Fellow of the Institute of Chartered Accountants with more than 30 years' experience in statutory reporting and business administration. He has been directly involved with and consulted to a number of public companies holding senior financial management positions.

He is a Director of the corporate advisory firm Endeavour Corporate providing company secretarial support, corporate and compliance advice to a number of ASX listed public companies.



**Simon Borck**

Mr Borck was appointed as joint Company Secretary on 8 November 2016. He is a Chartered Accountant with 20 years' experience in statutory, financial and management reporting for companies operating within the resources sector and has held senior financial management positions.

He has a range of experience with mining service providers and has operated with resources companies in all stages of exploration, development and production. Past positions include Financial Controller of iron ore producer Territory Resources Limited, which was listed on the ASX prior to its acquisition by the Noble Group.

## INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of directors in shares or options of the Company were:

	Ordinary shares	Unlisted options
	Number	Number
<b>Non-executive Directors</b>		
Gary Lyons	8,000,000	-
Tan Sri Dato' Tien Seng Law	77,415,000	-
Kong Leng (Jimmy) Lee	6,000,000	-
Russell Clark	-	-
Teck Siong Wong	6,000,000	-
Chew Wai Chuen	6,729,168	-
Wai Cheong Law	5,831,148	-

# Directors' Report

## SHARES UNDER OPTION

At the date of this report and balance date, there were no options on issue (2021: Nil). Since balance date to the date of this report the Company had issued no options (2021: Nil).

No options expired or were cancelled during the year ended 30 June 2022 (2021: Nil). During the year ended 30 June 2022, no options were exercised (2021: 16,000,000).

At the date of this report and balance date, no employee options were on issue (2021: Nil). During the year ended 30 June 2022, no employee options were issued or exercised (2021: Nil).

The holders of unlisted options were not entitled to any voting rights until the options were exercised into ordinary shares. These unlisted options do not entitle the holder to participate in any share issue of the Company or any other body corporate. Refer to the Remuneration Report for further details of options for Key Management Personnel (KMP).

## MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors and of each board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Gary Lyons	3	3	2	2
Tan Sri Dato' Tien Seng Law <sup>1</sup>	2	3	1	2
Kong Leng (Jimmy) Lee	3	3	2	2
Russell Clark	3	3	2	2
Chew Wai Chuen	3	3	2	2
Teck Siong Wong	3	3	2	2

1. Tan Sri Dato' Tien Seng Law's attendance represents the number of meetings that he or his alternate director, Wai Cheong Law attended.

## INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to ensure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

## INDEMNITY AND INSURANCE OF AUDITORS

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

## DIVIDENDS

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of dividend in respect of the financial year.

## PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year were studies on the Mt Mulgine project and exploration activities in relation to tungsten projects in Australia.



# Directors' Report

## OPERATING AND FINANCIAL REVIEW

### Review of operations

The Mt Mulgine Project (the Project) remained the highest priority development project for the Company, responsible for the majority of activity during the 2022 financial year.

Since reporting the successful maiden Ore Reserve and positive Pre-Feasibility Study for the Mt Mulgine Project, announced to the market on 29 January 2021, the Company has continued to advance the feasibility studies for the Project and seek suitable partners capable of supporting the Project's development.

During the 2022 financial year, the Company completed a PQ diamond drilling program undertaken to collect core for test work with the aim of de-risking the metallurgical flowsheet. Approximately 37 tonnes of core representative of the material throughout the deposit within the various stages of the proposed 23-year pit design was recovered.

In January 2022 the Company announced entering into a non-binding Memorandum of Understanding (MOU) with MCC International Incorporation Ltd (MCCI), a major global engineering company, to establish a programme of collaboration between MCCI and the Company in respect to the completion of feasibility studies at Mt Mulgine. As contemplated under the MOU framework with MCCI, discussions occurred on a proposal from MCCI for a metallurgical test work program using a composite sample. Whilst the parties remain in discussion, no agreement has yet been reached concerning the testwork proposal or other matters contemplated by the MoU.

As a pre-cursor to this proposed program, a bulk sample of reserve material used for the Pre-Feasibility Study is undergoing preliminary "whole of ore" flotation test work in order to evaluate its viability to produce a saleable scheelite concentrate.

Environmental related activities for the Mt Mulgine Project continued during the 2022 financial year.

### Operating results for the year

The loss after income tax benefit for the year ended 30 June 2022 was \$5,085,149 (2021: \$4,722,655), which included an expense of \$2,177,575 (2021: \$1,826,677) for exploration expenditure and \$2,183,520 (2021: \$2,809,740) of remuneration expenses.

\$580,000 was received in relation to the sale of surplus plant and equipment following the execution of a sale agreement with the equipment vendor. In view of this transaction, the carrying values of plant and equipment were reviewed for impairment and written down to its estimated recoverable amount of \$1,638,225. The write down resulted in an impairment expense of \$227,959.

R&D tax offset of \$462,448 (2021: 452,231) was received during the year ended 30 June 2022 from activities conducted on the Mt Mulgine Project.

### Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all applicable regulations when carrying out exploration work.

### Events since the end of the financial year

On 12 August 2022, the Company announced to the ASX the appointment of Non-executive Director, Mr Teck Wong as an Executive Director and interim Chief Executive Officer effective from 9 August 2022, following the resignation of Mr Craig Ferrier as the Chief Executive Officer.

There have been no other events occurring subsequent to balance date which have a significant impact on the results or position of the company.

# Directors' Report

## REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Key Management Personnel (KMP) of the Group.

### KMP's Remuneration Policy

- The policy of the Group is to pay remuneration of KMP in line with employment market conditions relevant in the minerals exploration industry.
- The Group's performance, and hence that of its KMP, is measured in terms of a combination of Group share price growth, its liquidity and the success of its exploration and development activities.

### Relationship between Remuneration Policy and Company Performance

#### *Objective*

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for Group, business team and individual performance;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

#### *Structure*

At this time, the cash component of remuneration paid to the Directors, the Company Secretary and other senior managers is not dependent upon the satisfaction of performance conditions.

- It is current policy that some executives be engaged by way of consultancy agreements with the Group, under which they receive a contract rate based upon the number of hours of service supplied to the Group. There is provision for yearly review and adjustment based on consumer price indices. Such remuneration is hence not dependent upon the achievement of specific performance conditions. This policy is considered to be appropriate for the Group, having regard to the current state of its development.
- The Company recognises the benefit of directors, officers and other employees of the Group holding securities in the Company and are encouraged to hold shares, provided that any trading is consistent with its Policy for Trading in Company Securities. The Directors, officers and employees of the Group may also participate in the share and option plans as described in this report.

# Directors' Report

## Details of Remuneration

Key Management Personnel's remuneration for the financial year:

	Short-Term			Post employment	Long-term benefits	Total
	Salary & Fees	Other services	Leave Provisions	Super-annuation	Long Service Leave	
	\$	\$	\$	\$	\$	\$
<i>Non-executive directors</i>						
<b>Gary Lyons</b>						
2022	109,091	-	-	10,909	-	120,000
2021	109,589	2,500	-	10,648	-	122,737
<b>Tan Sri Dato' Tien Seng Law</b>						
2022	100,000	-	-	-	-	100,000
2021	100,000	-	-	-	-	100,000
<b>Chew Wai Chuen</b>						
2022	80,000	-	-	-	-	80,000
2021	80,000	-	-	-	-	80,000
<b>Kong Leng (Jimmy) Lee</b>						
2022	72,727	15,000	-	7,273	-	95,000
2021	73,059	15,000	-	6,941	-	95,000
<b>Russell Clark</b>						
2022	72,727	6,818	-	7,955	-	87,500
2021	73,059	7,991	-	7,700	-	88,750
<b>Teck Siong Wong</b>						
2022	80,000	-	-	-	-	80,000
2021	80,000	-	-	-	-	80,000
<b>Wai Cheong Law <sup>1</sup></b>						
2022	-	-	-	-	-	-
2021	-	-	-	-	-	-
<i>Other executives</i>						
<b>Craig Ferrier <sup>3</sup></b>						
2022	340,560	-	(93,303)	27,500	5,577	280,334
2021	341,387	-	(6,436)	25,000	5,577	365,528
<b>Mark Pitts <sup>2</sup></b>						
2022	42,000	-	-	-	-	42,000
2021	42,000	-	-	-	-	42,000
<b>Simon Borck</b>						
2022	161,484	-	11,926	16,148	5,472	195,030
2021	153,150	-	4,269	14,549	2,298	174,266
<b>Total Remuneration <sup>4</sup></b>						
<b>2022</b>	<b>1,058,589</b>	<b>21,818</b>	<b>(81,377)</b>	<b>69,785</b>	<b>11,049</b>	<b>1,079,864</b>
<b>2021</b>	<b>1,052,244</b>	<b>25,491</b>	<b>(2,167)</b>	<b>64,838</b>	<b>7,875</b>	<b>1,148,281</b>

1. Wai Cheong Law is the alternate director for Tan Sri Dato' Tien Seng Law.

2. Mark Pitts is paid for his services as Company Secretary through Endeavour Corporate Pty Ltd, an entity related to Mr Pitts.

3. \$5,960 of Craig Ferrier's superannuation was paid as salary during the year.

4. There were no share based payments during these financial years.



# Directors' Report

## Transactions with related parties

There are no other related party transactions during the year ended 30 June 2022, other than those relating to key management personnel (see Note 5).

## Share and option based payments

During the year end 30 June 2022, no share based payments were made to key management personnel (2021: Nil).

No options were granted to key management personnel and no loan-funded shares were issued to Directors of the Company (2021: Nil).

### *Under the Management Fee and Remuneration Sacrifice Share*

Under the Management Fee and Remuneration Sacrifice Share Plan ("Plan"), the eligible directors and senior management of the Company may elect to sacrifice part of their directors' fees or consulting fees to acquire shares in the Company. Under the Plan, the relevant directors and senior management will receive the remainder of their directors' fees or consulting fees in cash. As such, the shares will be issued for nil cash consideration and will be valued at fair market value. The Plan rules were approved by shareholders at the Annual General Meeting held in November 2013 for the purposes of ASX Listing Rules. During the 2022 and 2021 financial years, no share based payments occurred under this Plan.

### *Analysis of shares, options and rights over equity instruments granted as compensation*

On 30 June 2022, no options were on issue to key management personnel (2021: Nil).

During the year ended 30 June 2022, there were no options granted, exercised, or vested to key management personnel. During the year ended 30 June 2021, the prior financial year, 16,000,000 options granted as compensation in prior years were exercised by key management personnel as detailed below.

	Grant date	Granted as compensation	Fair value of granted options at grant date	Vested and exercisable at the beginning of year	Exercised during the prior year	Vested and exercisable at the end of year
		Number	\$	%	Number	%
<i>Non-executive directors</i>						
Gary Lyons	23 Dec 2016	4,000,000	69,632	100%	4,000,000	-
Chew Wai Chuen	23 Dec 2016	4,000,000	69,632	100%	4,000,000	-
Kong Leng (Jimmy) Lee	23 Dec 2016	4,000,000	69,632	100%	4,000,000	-
Teck Siong Wong	23 Dec 2016	4,000,000	69,632	100%	4,000,000	-
		<b>16,000,000</b>	<b>278,528</b>		<b>16,000,000</b>	

The value of granted Options is the fair value calculated at grant date. The total value is included in the table above and is allocated to remuneration over the vesting period. Refer to Note 18 in the Financial Statements of this report for further details of options granted to key management personnel as remuneration. There were no shares granted to key management personnel during the financial year (2021:nil).

# Directors' Report

Details of Loan-funded shares granted as compensation held at reporting date by key management personnel of the Company are detailed below.

	Grant date	Number granted as compensation	Maturity Date	Fair value of share based payment	Total loan value
		Number		\$	\$
Non-executive directors					
Gary Lyons	26 Jul 2018	4,000,000	26 Jul 2028	1,749,080	1,912,000
Tan Sri Dato' Tien Seng Law	26 Jul 2018	6,000,000	26 Jul 2028	2,623,620	2,868,000
Chew Wai Chuen	26 Jul 2018	2,000,000	26 Jul 2028	874,540	956,000
Kong Leng (Jimmy) Lee	26 Jul 2018	2,000,000	26 Jul 2028	874,540	956,000
Teck Siong Wong	26 Jul 2018	2,000,000	26 Jul 2028	874,540	956,000
		16,000,000		6,996,320	7,648,000

The funds to acquire these shares were provided to the Directors under interest free, limited recourse loan agreements and are repayable at the earlier of: the 10 year anniversary of the grant of the shares, the sale of the underlying shares, or the breach of the agreement. Any dividends received on the loan funded shares are first applied to any outstanding loan balance on a post tax basis.

## Service agreements

There are no contracts in place with regard to the services provided by key management personnel unless otherwise stated.

### Agreements with Non-executive Directors

Mr Gary Lyons was appointed as a Non-executive Director on 16 July 2014 and elected Chairman on 5 January 2015. Pursuant to an agreement dated 16 July 2014, his director's fee was initially set at \$40,000 per annum, inclusive of superannuation requirement. Pursuant to the circular resolution signed on the 23 May 2018, the level of directors fees payable to Mr Lyons were revised to \$120,000 per annum, inclusive of superannuation. In the event of termination, there is no notice period required.

Tan Sri Dato' Tien Seng Law was appointed as a Non-executive Director on 15 January 2018. Pursuant to an agreement dated 15 January 2018, his director's fee was set at \$100,000 per annum, inclusive of superannuation requirement. In the event of termination, there is no notice period required.

Mr Kong Leng (Jimmy) Lee was appointed as a Non-executive Director on 2 April 2014. Pursuant to an agreement dated 2 April 2014, his director's fee was set at \$40,000 per annum, inclusive of superannuation requirement. In the event of termination, there is no notice period required. Pursuant to the circular resolution signed on the 23 May 2018, his directors fees were revised to \$80,000 per annum inclusive of superannuation.

Mr Russell Clark was appointed as a Non-executive Director on 11 February 2020. His director's fee was set at \$80,000 per annum, inclusive of superannuation requirement. In the event of termination, there is no notice period required.

Mr Chew Wai Chuen was appointed as a Non-executive Director on 17 April 2014. Pursuant to an agreement dated 17 April 2014, his director's fee was set at \$40,000 per annum, inclusive of superannuation requirement. In the event of termination, there is no notice period required. Pursuant to the circular resolution signed on the 23 May 2018, his directors fees were revised to \$80,000 per annum.

Mr Teck Siong Wong was appointed as a Non-executive Director on 8 February 2016. Pursuant to an agreement dated 8 February 2016, his director's fee was set at \$40,000 per annum, inclusive of superannuation requirement. In the event of termination, there is no notice period required. Pursuant to the circular resolution signed on the 23 May 2018, his directors fees were revised to \$80,000 per annum. On 9 August 2022, Mr Wong was appointed as an Executive Director and interim Chief Executive Officer with an unchanged remuneration.

Mr Craig Ferrier on 30 June 2022 was the Chief Executive Officer and his remuneration was \$334,600 (2021: \$334,600) (plus superannuation contributions). During the financial year, \$5,960 of his superannuation entitlement was paid as salary. The Company may terminate the agreement by giving three months' notice in writing. The Company may pay Mr Ferrier for any or all of the three months' notice period in lieu of notice. Subsequent to the financial year, in July 2022, Mr Ferrier elected to step down as Chief Executive Officer and resigned from this position.

# Directors' Report

## Service agreements (continued)

Mr Simon Borck is the Group Financial Controller and was appointed as the Joint Company Secretary on 8 November 2016. For services he provides to the Company, his remuneration was \$178,150 per annum (2021: \$153,150) (plus statutory superannuation contributions). Mr Borck may terminate his employment by the giving of four weeks' notice in writing to the Company. The Company may terminate his employment agreement by giving four weeks' notice in writing.

Mr Mark Pitts was appointed as the Company Secretary on 12 December 2014. For services he provides to the Company, his remuneration was \$3,500 per month (2021: \$3,500). Mr Pitts is paid for his services as Company Secretary through Endeavour Corporate Pty Ltd, an entity related to Mr Pitts.

## Use of remuneration consultants

The Group did not employ the services of any remuneration consultants during the year ended 30 June 2022.

## Shares

### Shareholdings for Key Management Personnel

The number of ordinary shares in the Company held by key management personnel during the financial year is as follows:

	Balance at beginning of year / on appointment	Granted as remuneration	Issued on exercise of options during the year	Other changes during the year	Balance at end of year or cessation of office
	Number	Number	Number	Number	Number
<i>Non-executive directors</i>					
Gary Lyons	8,000,000	-	-	-	8,000,000
Tan Sri Dato' Tien Seng Law	77,415,000	-	-	-	77,415,000
Chew Wai Chuen	6,729,168	-	-	-	6,729,168
Kong Leng (Jimmy) Lee	6,000,000	-	-	-	6,000,000
Russell Clark	-	-	-	-	-
Teck Siong Wong <sup>1</sup>	6,000,000	-	-	-	6,000,000
Wai Cheong Law	5,831,148	-	-	-	5,831,148
<i>Other executives</i>					
Craig Ferrier <sup>1</sup>	-	-	-	-	-
Simon Borck	-	-	-	-	-
Mark Pitts	-	-	-	-	-
	<b>109,975,316</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>109,975,316</b>

1. Subsequent to the financial year, on 9 August 2022, Mr Teck Wong was appointed as an Executive Director and interim Chief Executive Officer following the resignation of Mr Craig Ferrier.

## End of Remuneration Report



# Directors' Report

## 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 40 and forms part of this report.

The report is made in accordance with a resolution of directors.



Gary Lyons  
Chairman  
Perth  
Dated 20 September 2022

# Auditor's Independence Declaration



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20 September 2022

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

Dear Directors

**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 audit of the financial statements of Tungsten Mining NL for the year ended 30 June 2022, 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 audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

**Samir Tirodkar**  
**Director**



*Liability limited by a scheme approved under Professional Standards Legislation*

Stantons is a member of the Russell  
Bedford International network of firms

# 2022 Consolidated Financial Statements

## Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2022

		2022	2021
	Note	\$	\$
<b>Revenue from continuing activities</b>			
R&D tax offset		462,448	452,231
Interest		56,751	98,267
Sale of tenements		-	125,000
Other		20,786	143,475
<b>Total revenue</b>		<b>539,985</b>	<b>818,973</b>
<b>Expenses</b>			
Administration		(860,442)	(905,211)
Exploration		(2,177,575)	(1,826,677)
Remuneration		(2,183,520)	(2,809,740)
Loss on sale of plant & equipment	11	(175,638)	-
Impairment of plant & equipment	11	(227,959)	-
<b>Loss from continuing operations before income tax</b>		<b>(5,085,149)</b>	<b>(4,722,655)</b>
Income tax benefit	4	-	-
<b>Net loss for the year</b>		<b>(5,085,149)</b>	<b>(4,722,655)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total comprehensive loss for the year</b>		<b>(5,085,149)</b>	<b>(4,722,655)</b>
Net loss attributable to members of the Parent		(5,085,149)	(4,722,655)
Total comprehensive loss attributable to members of the Parent		(5,085,149)	(4,722,655)
Basic loss per share (cents per share)	7	(0.65)	(0.61)

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

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.*



# 2022 Consolidated Financial Statements

## Consolidated Statement of Financial Position As at 30 June 2022

		2022	2021
	Note	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	8	14,630,799	19,345,209
Trade and other receivables	9	36,266	58,206
Other financial assets	10	353,706	320,058
<b>Total current assets</b>		<b>15,020,771</b>	<b>19,723,473</b>
<b>Non-current assets</b>			
Plant and equipment	11	1,943,143	2,908,375
Right of use assets	12	316,511	533,715
Exploration and evaluation	13	19,707,196	19,707,196
<b>Total non-current assets</b>		<b>21,966,850</b>	<b>23,149,286</b>
<b>Total assets</b>		<b>36,987,621</b>	<b>42,872,759</b>
<b>Current liabilities</b>			
Trade and other payables	14	393,179	931,735
Lease liabilities	15	281,990	245,879
Provisions	16	234,398	328,741
<b>Total current liabilities</b>		<b>909,567</b>	<b>1,506,355</b>
<b>Non-current liabilities</b>			
Lease liabilities	15	130,161	410,458
Provisions	16	524,808	447,712
<b>Total non-current liabilities</b>		<b>654,969</b>	<b>858,170</b>
<b>Total liabilities</b>		<b>1,564,536</b>	<b>2,364,525</b>
<b>Net assets</b>		<b>35,423,085</b>	<b>40,508,234</b>
<b>Equity</b>			
Issued capital	17	82,460,127	82,460,127
Reserves	18	7,851,718	7,851,718
Accumulated losses	19	(54,888,760)	(49,803,611)
<b>Total equity</b>		<b>35,423,085</b>	<b>40,508,234</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# 2022 Consolidated Financial Statements

## Consolidated Statement of Changes in Equity For the year ended 30 June 2022

	Issued capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
<b>At 1 July 2020</b>	81,760,889	7,851,718	(45,080,956)	44,531,651
Loss for the year	-	-	(4,722,655)	(4,722,655)
Other comprehensive loss (net of tax)	-	-	-	-
<b>Total comprehensive loss for the year (net of tax)</b>	-	-	(4,722,655)	(4,722,655)
<i>Transactions with owners in their capacity as owners:</i>				
Options exercised	704,000	-	-	704,000
Share issue transaction costs	(4,762)	-	-	(4,762)
<b>At 30 June 2021</b>	<b>82,460,127</b>	<b>7,851,718</b>	<b>(49,803,611)</b>	<b>40,508,234</b>
<b>At 1 July 2022</b>	82,460,127	7,851,718	(49,803,611)	40,508,234
Loss for the year	-	-	(5,085,149)	(5,085,149)
Other comprehensive loss (net of tax)	-	-	-	-
<b>Total comprehensive loss for the year (net of tax)</b>	-	-	(5,085,149)	(5,085,149)
<i>Transactions with owners in their capacity as owners:</i>				
Options exercised	-	-	-	-
Share issue transaction costs	-	-	-	-
<b>At 30 June 2022</b>	<b>82,460,127</b>	<b>7,851,718</b>	<b>(54,888,760)</b>	<b>35,423,085</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# 2022 Consolidated Financial Statements

## Consolidated Statement of Cash Flows As at 30 June 2022

		2022	2021
	Note	\$	\$
<b>Cashflows from operating activities</b>			
Payments to suppliers and employees		(5,407,812)	(4,841,435)
Receipts from customers		38,552	73,125
R&D tax offset received		462,448	452,231
Government grants		448	68,725
Interest received		39,599	108,772
<b>Net cash flows (used in) operating activities</b>	23	<b>(4,866,765)</b>	<b>(4,138,582)</b>
<b>Cashflows from investing activities</b>			
Payments for property, plant and equipment		(135,217)	(73,109)
Proceeds from sale of property, plant and equipment	11	580,000	-
Proceeds from sale of tenements		-	125,000
Security deposits refunded		-	7,500
<b>Net cash flows provided by investing activities</b>		<b>444,783</b>	<b>59,391</b>
<b>Cashflows from financing activities</b>			
Lease payments		(292,428)	(231,128)
Payments of share issue costs	17	-	(4,762)
Proceeds from the exercise of options	17	-	704,000
<b>Net cash flows (used in) / provided by financing activities</b>		<b>(292,428)</b>	<b>468,110</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(4,714,410)</b>	<b>(3,611,081)</b>
Cash and cash equivalents at the beginning of the year		19,345,209	22,956,290
<b>Cash and cash equivalents at the end of the year</b>	8	<b>14,630,799</b>	<b>19,345,209</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 1: Corporate Information

Tungsten Mining NL ("the Company") is a public no liability company and was incorporated on 13 July 2011 in Australia. The consolidated financial report of the Company for the year ended 30 June 2022 comprises the Company and its subsidiaries (together referred to as the "Group"). The Group's principal activities are mineral exploration, evaluation and development.

The nature of operations and principal activities of the Group are described in the directors' report.

## Note 2: Statement of significant accounting policies

### (a) Basis of preparation

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB.

The consolidated financial report has also been prepared on an accruals and historical cost basis. Cost is based on the fair values of the consideration given in exchange of assets. The consolidated financial report is presented in Australian dollars. The accounting policies detailed below have been consistently followed throughout the period presented unless otherwise stated.

### (b) New accounting standards and interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of the new or amended Accounting Standards and Interpretations did not result in any significant changes to the Group's accounting policies in the current or future period.

Those new or amended Accounting Standards and Interpretations which may be relevant to the Group are set out below:

*AASB 2021-3: Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions beyond 30 June 2021*

The Group has applied AASB 2021-3: Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021 this reporting period.

The amendment amends AASB 16 to extend by one year, the application of the practical expedient added to AASB 16 by AASB 2020-4: Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions. The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and instead, to account for those rent concessions as if they were not lease modifications. The amendment has not had a material impact on the Group's financial statements.

*AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*

The Group has applied AASB 2020-8 which amends various standards to help listed entities to provide financial statement users with useful information about the effects of the interest rate benchmark reform on those entities' financial statements. As a result of these amendments, an entity:

- will not have to derecognise or adjust the carrying amount of financial statements for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
- will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates. The amendment has not had a material impact on the Group's financials.

# Notes to the Consolidated Financial Statements

## for the year ended 30 June 2022

### Note 2: Statement of significant accounting policies (continued)

#### (b) New accounting standards and interpretations (continued)

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

*AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current. The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

*AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments is an omnibus standard that amends AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141. The Group plans on adopting the amendment for the reporting period ending 30 June 2023. The impact of the initial application is not yet known.

*AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

*AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendment amends the initial recognition exemption in AASB 112: Income Taxes such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences. The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

#### (c) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only when management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next two years together with future tax planning strategies.

##### *Mineral acquisition costs*

The Group capitalises and carries forward mineral acquisition costs that are expected to be recouped through sale or successful development and exploitation of the area of interest or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 2: Statement of significant accounting policies (continued)

### (c) Critical accounting estimates and judgements (continued)

#### *Coronavirus (COVID-19) pandemic*

The Group has exercised judgement in considering the impacts of COVID-19 since the World Health Organisation declared the outbreak a pandemic in March 2020. The response from the government in dealing with the outbreak has impacted access to tenements and the economy. As of reporting date, the scale and duration of the developments remain uncertain. It is difficult to estimate the ongoing effect from the pandemic or government responses on the accounting estimates or forecasts. The Group has taken into consideration the limited/prohibited access to tenements and as a result may request reduction in minimum expenditures where possible. The methodology for estimates have not changed and have been prepared based upon conditions existing at the date of report.

### (d) Exploration and evaluation expenditure

Exploration and evaluation costs are expensed in the period they are incurred apart from mineral acquisition costs, which are capitalised and carried forward where right to tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated mineral acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and capitalised costs written off to the extent it is deemed that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

### (e) Plant & Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impaired in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 3 to 25 years

#### *Impairment*

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any indication exists of impairment and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### *Derecognition*

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period the item is derecognised.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 2: Statement of significant accounting policies (continued)

### (f) Income tax

Current tax assets and liabilities for the period is measured at amounts expected to be recovered from or paid to the taxation authorities based on the current year's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the balance date. Deferred income tax is provided on all temporary differences at balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

### (g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of Goods and services tax (GST) except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (h) Provisions and employee benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 2: Statement of significant accounting policies (continued)

### (h) Provisions and employee benefits (continued)

#### *Employee leave benefits*

##### *(i) Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries including non-monetary benefits, annual leave and accumulating sick leave due to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

##### *(ii) Long service leave*

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### (i) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

### (j) Receivables

Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectible amounts.

Collectability of receivables are reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Group will not be able to collect the debt.

### (k) Revenue recognition

Under AASB15 revenue is recognised when a performance obligation is satisfied, being when control of the goods or services underlying the performance obligations is transferred to the customer.

R&D tax rebates are recognised when the receipts are deemed probable and the amounts can be measured reliably. Government grants are recognised when received.

### (l) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### (m) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

### (n) Earnings/(Loss) per share

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the Group adjusted to exclude any costs of servicing equity (other than dividends) divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Options that are considered to be dilutive are taken into consideration when calculating the diluted earnings per share.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 2: Statement of significant accounting policies (continued)

### (o) Financial Instruments

#### *Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### *Classification and subsequent measurement*

##### *Financial assets*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

##### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

##### *Financial assets at fair value through other comprehensive income (Equity instruments)*

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 2: Statement of significant accounting policies (continued)

### (o) Financial Instruments (continued)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

#### *Financial assets at fair value through profit or loss (FVPL)*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

#### *Financial liabilities*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

#### *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

# Notes to the Consolidated Financial Statements

## for the year ended 30 June 2022

### Note 2: Statement of significant accounting policies (continued)

#### (p) Leases

The Group has various property leases. Lease contracts are typically made for fixed periods of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases have been recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment was allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. 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.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

#### (q) Share Based Payments

Under AASB 2 Share Based Payments, the Group must recognise the fair value of options granted to directors, employees and consultants/contractors as remuneration as an expense on a pro-rata basis over the vesting period in the Consolidated Statement of Profit or Loss and Other Comprehensive income with a corresponding adjustment to equity.

The Group provides benefits to employees (including directors) and consultants/contractors of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees (including directors) and consultants/contractors is measured by reference to fair value at the date they are granted. The fair value is determined using the Black Scholes option pricing model.

# Notes to the Consolidated Financial Statements

## for the year ended 30 June 2022

### Note 3(a): Segment information

The Group has based its operating segment on the internal reports that are reviewed and used by the chief operators decision makers (the Board) in assessing performance and in determining the allocation of resources.

The Group currently does not have production and is only involved in exploration and evaluation. As a consequence, activities in the operating segment are identified by the Board 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 evaluation and the segment operations and results are reported internally based on the accounting policies as described in note 2 for the computation of the controlled entity's results presented in this set of financial statements.

### Note 3(b): Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Tungsten Mining NL and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 27.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 4: Income Tax

	Consolidated	
	2022	2021
	\$	\$
<b>(a) Prima facie income tax benefit at 30% on loss from ordinary activities is reconciled to the income tax provided in the financial statements</b>		
Loss from continuing operations before income tax	(5,085,149)	(4,722,655)
Prima facie tax benefit at the Australian tax rate of 30%	(1,525,545)	(1,416,797)
Tax effect of:		
Non-deductible expenses	(6,787)	24,345
Non-assessable income	(138,734)	(139,393)
Adjustments in the current year in relation to the current tax of previous years	304,817	311,884
Change in corporate tax rate	-	-
Effect of deferred taxes that would be recognised directly in equity	-	(1,429)
Tax losses & temporary differences not brought to account	1,366,249	1,221,390
Income tax expense/(benefit)	-	-
<b>(b) Deferred tax assets</b>		
Deferred tax assets that have not been recognised:		
Prepayments	22,200	-
Trade & other payables	9,000	22,500
Employee benefits	76,534	104,656
Other future deductions	82,968	231,608
Unused tax losses	14,767,709	13,262,187
	14,958,411	13,620,951
Deferred tax asset not recognised	(14,958,411)	(13,620,951)
Income tax receivable	-	-
<b>(c) Deferred tax liabilities</b>		
Trade & other receivables	6,441	1,295
Prepayments	32,819	21,610
Mining tenements and rights	83,711	128,555
	122,971	151,460
Deferred tax liability not brought to account	(122,971)	(151,460)
Income tax payable	-	-

Potential deferred net tax assets of \$14,835,440 as at 30 June 2022 (2021: \$13,469,491), arising from tax losses and temporary differences have not been recognised as an asset because recovery of these tax losses and temporary differences is not yet probable.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 5: Key Management Personnel remuneration

	Consolidated	
	2022	2021
	\$	\$
Short-term benefits	999,030	1,075,568
Share-based payments	-	-
Long-term benefits	11,049	7,875
Post-employment benefits	69,785	64,838
	<u>1,079,864</u>	<u>1,148,281</u>

Refer to the remuneration report contained in the directors' report for further details of the remuneration paid or payable and equity holdings of the Group's key management personnel.

## Note 6: Auditor's remuneration

	Consolidated	
	2022	2021
	\$	\$
Remuneration of the auditor of the Group for:		
- auditing or reviewing the financial report (accruals)	50,725	49,691
- under accrual in prior year	2,429	3,938
	<u>53,154</u>	<u>53,629</u>

## Note 7: Loss per share

	Consolidated	
	2022	2021
	\$	\$
Basic loss per share (cents)	(0.65)	(0.61)
Loss used in calculating basic loss per share	(5,085,149)	(4,722,655)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in the calculation of basic loss per share	786,414,272	777,121,121

The diluted loss per share is not disclosed as it would not reflect an inferior position.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 8: Cash and cash equivalents

	Consolidated	
	2022	2021
	\$	\$
Cash at bank	1,427,979	2,154,831
Term deposits	13,202,820	17,190,378
	<u>14,630,799</u>	<u>19,345,209</u>

Cash and cash equivalents earn interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

## Note 9: Trade and other receivables

	Consolidated	
	2022	2021
	\$	\$
<b>Current</b>		
GST receivable	5,382	26,262
Interest receivable	21,470	4,318
Other receivables	9,414	27,626
	<u>36,266</u>	<u>58,206</u>

These non-trade receivables are non-interest bearing and are generally on 30-90 days terms. The carrying amounts of these receivables represent fair value and are not considered to be impaired. \$5,912 (2021: \$21,976), of other receivables is recoverable from GWR Group Limited which is a related party to the Group (Refer to Note 22(a)).

## Note 10: Other financial assets

	Consolidated	
	2022	2021
	\$	\$
<b>Current</b>		
Prepayments	109,396	72,033
Secured cash – Term deposits	244,310	244,310
Other	-	3,715
	<u>353,706</u>	<u>320,058</u>

Secured cash support certain bank guarantees that reduce credit risk to the Group for the terms of arrangements in place.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 11: Plant and equipment

	Processing Plant	Office Equipment	Exploration Equipment	Computer Software	Total
	\$	\$	\$	\$	\$
<b>2022</b>					
Cost	1,638,225	158,847	373,375	67,270	2,237,717
Accumulated depreciation	-	(127,175)	(105,595)	(61,804)	(294,574)
	1,638,225	31,672	267,780	5,466	1,943,143
Opening net carrying value	2,667,347	61,167	163,746	16,115	2,908,375
Additions	-	-	135,775	-	135,775
Disposals	(801,163)	(558)	-	-	(801,721)
Impairment	(227,959)	-	-	-	(227,959)
Depreciation charge for the year	-	(28,937)	(31,741)	(10,649)	(71,327)
Closing net carrying value	1,638,225	31,672	267,780	5,466	1,943,143
<b>2021</b>					
Cost	2,667,347	160,343	237,598	67,270	3,132,558
Accumulated depreciation	-	(99,176)	(73,852)	(51,155)	(224,183)
	2,667,347	61,167	163,746	16,115	2,908,375
Opening net carrying value	2,576,297	93,811	110,947	26,765	2,807,820
Additions	91,050	-	69,587	-	160,637
Depreciation charge for the year	-	(32,644)	(16,788)	(10,650)	(60,082)
Closing net carrying value	2,667,347	61,167	163,746	16,115	2,908,375

### Processing Plant

The processing plant above includes a dismantled mineral processing facility and an unused x-ray ore sorter, including spare parts, that were acquired in prior financial years. The processing plant is held in storage and is not currently being depreciated as it is not in use.

### Disposal of Processing Plant

During the year ended 30 June 2022 the Group executed an agreement for the disposal of an unused x-ray ore sorter, with a carrying value of \$801,163 for total consideration of \$625,525. This consideration consisted of \$580,000 cash and the waiver of an amount owing of \$45,525 pursuant to the terms of the original acquisition agreement. This disposal resulted in a loss on sale of \$175,638.

### Impairment of Processing Plant

During the year ended 30 June 2022 and in view of the sale transaction described above, the carrying values of plant and equipment were reviewed for impairment and written down to its estimated recoverable amount of \$1,638,225. The write down resulted in an impairment expense of \$227,959.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 12: Right of use assets

	Consolidated	
	2022	2021
	\$	\$
Cost	1,086,019	1,086,019
Accumulated depreciation	(769,508)	(552,304)
	<u>316,511</u>	<u>533,715</u>
Opening net carrying value	533,715	750,918
Depreciation charge for the year	(217,204)	(217,203)
Closing net carrying value	<u>316,511</u>	<u>533,715</u>

### *Building leases*

The above right-of-use assets relate to certain building leases that were entered into in prior years by the Group (refer Note 15). 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

These right-of-use assets are being amortised over the lease term on a straight-line basis of five years.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 13: Exploration and evaluation

	Consolidated	
	2022	2021
	\$	\$

Mineral acquisition costs	19,707,196	19,707,196
	<u>19,707,196</u>	<u>19,707,196</u>

### Capitalised 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.

The following table illustrates the movement in the carrying value of Exploration and evaluation:

	Mt Mulgine	Big Hill	Kilba	Watershed	Hatches Creek	Total
	\$	\$	\$	\$	\$	\$
At 1 July 2020	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196
At 30 June 2021	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196
At 1 July 2021	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196
At 30 June 2022	1,193,546	158,625	1,000,000	15,548,896	1,806,129	19,707,196

## Note 14: Trade and other payables

	Consolidated	
	2022	2021
	\$	\$

### Current

Trade payables	161,138	507,235
Accrued expenses	172,771	352,971
Other payables	<u>59,270</u>	<u>71,529</u>
	<u>393,179</u>	<u>931,735</u>

These are unsecured payables, non-interest bearing and are generally on 30-90 days terms. Due to the short term nature of these payables, the carrying value is assumed to approximate their fair value.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 15: Lease liabilities

	Consolidated	
	2022	2021
	\$	\$
<b>Current</b>		
Property lease liabilities	281,990	245,879
	281,990	245,879
<b>Non-current</b>		
Property lease liabilities	130,161	410,458
	130,161	410,458
Total lease liabilities	412,151	656,337

### Property leases

The above lease liabilities (refer Note 12) relate to certain property leases that were entered into in prior financial years by the Group.

The lease liability at initial recognition was \$1,086,019. 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 of \$36,777 (2021: \$46,309) was included in administration expense in the consolidated statement of profit or loss and other comprehensive income. Lease payments during the year was \$292,428 (2021: \$231,128).

## Note 16: Provisions

	Consolidated	
	2022	2021
	\$	\$
<b>Current</b>		
Provision for rehabilitation	9,000	25,000
Provision for employee annual leave	118,902	226,690
Provision for employee long service leave	84,871	77,051
	234,398	328,741
<b>Non-current</b>		
Provision for rehabilitation	510,000	420,000
Provision for employee long service leave	14,808	27,712
	524,808	447,712
Total provisions	759,206	776,453

### Rehabilitation

The non-current provision for rehabilitation includes an amount of \$400,000 which was assumed in prior financial years as part of the Watershed acquisition.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 17: Share capital

	Consolidated	
	2022	2021
	\$	\$
<b>Issued and Unissued Share Capital</b>		
Ordinary shares fully paid	82,460,127	82,460,127
	<u>82,460,127</u>	<u>82,460,127</u>

### Capital Management

When managing capital, the Board's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. As the equity market is constantly changing the Board may issue new shares to provide for future exploration and development activity. The company is not subject to any externally imposed capital requirements.

*Movements in the issued capital of the Company are:*

	Consolidated			
	2022	2021	2022	2021
	\$	\$	Number	Number
Balance at the beginning of year	82,460,127	81,760,889	786,414,272	770,414,272
<b>Ordinary Shares</b>				
Shares issued on the exercise of options at \$0.03	-	96,000	-	3,200,000
Shares issued on the exercise of options at \$0.04	-	128,000	-	3,200,000
Shares issued on the exercise of options at \$0.05	-	480,000	-	9,600,000
Cost incurred relating to issue of shares	-	(4,762)	-	-
Balance at end of year	<u>82,460,127</u>	<u>82,460,127</u>	<u>786,414,272</u>	<u>786,414,272</u>

## Note 18: Reserves

	Consolidated	
	2022	2021
	\$	\$
Share option reserve	855,398	855,398
Loan-funded share scheme reserve	<u>6,996,320</u>	<u>6,996,320</u>
	<u>7,851,718</u>	<u>7,851,718</u>

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 18: Reserves (continued)

### *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 year.

	Number	WAEP	\$
At 1 July 2020	16,000,000	\$0.044	855,398
Tranche 1 Directors options exercised during the year	(3,200,000)	\$0.030	-
Tranche 2 Directors options exercised during the year	(3,200,000)	\$0.040	-
Tranche 3 Directors options exercised during the year	(9,600,000)	\$0.050	-
At 30 June 2021	-	-	855,398
At 1 July 2021	-	-	855,398
Options issued/(exercised) during the year	-	-	-
At 30 June 2022	-	-	855,398

### *Vested and exercisable options*

There were no outstanding options at year end.

## Note 19: Accumulated losses

	Consolidated	
	2022	2021
	\$	\$
Opening balance	(49,803,611)	(45,080,956)
Net loss for the year	(5,085,149)	(4,722,655)
Accumulated losses at the end of the financial year	(54,888,760)	(49,803,611)

## Note 20: Commitments

### *Exploration*

Based on the minimum annual commitments pursuant to the terms and conditions of environmental authorities, exploration licences and mineral rights the Group will have minimum annual commitment obligations of \$613,012 (2021: \$528,589) in the forthcoming year. These obligations are capable of being varied from time to time in order to maintain current rights of tenure to mining tenements.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 21: Contingencies

### *Hatches Creek Farm-in Agreement*

In the prior financial years, on 3 June 2019, the Company announced the execution of a Farm-in agreement with related party GWR Group Limited ("GWR") to acquire a 20% interest in the Hatches Creek Tungsten Project ("Hatches Creek"). The Farm-in agreement stages are as follows:

- The Company has initially acquired a 20% interest in Hatches Creek through the reimbursement of \$1,720,942 in past exploration expenditure incurred by GWR;
- The Company can increase its interest to 51% by the expenditure of \$3,000,000 on exploration, development and mining activities within 5 years of the acquisition date; and

Once a decision to mine has been made, the Company can acquire GWR's remaining interest for \$6,959,058 (indexed for CPI). During the current year it was agreed with GWR to extend the first earn in period by 3 months.

### *Mulgine Drilling Incident*

As a result of a drilling incident that occurred at the Mt Mulgine Project in July 2019:

- A claim for unspecified damages was filed in the District Court of Western Australia in June 2021 in relation to alleged loss and damage suffered. At the date of this report, the Group is defending this claim, therefore it is not possible to estimate a liability, and
- DMIRS has commenced a prosecution against Tungsten Mining NL in the Magistrates Court of Western Australia. At the date of this report, Tungsten Mining NL has not yet entered a plea, therefore it is not possible to estimate a liability.

The Group is not aware of any other significant contingencies that existed at balance date.

## Note 22: Related party transactions

### (a) Associates

#### *GWR Group Limited (GWR)*

GWR is a significant shareholder in the Group's parent Tungsten Mining NL and holds significant influence over decision making of the Group. During the year, the Group received and provided certain services to GWR as detailed in the table below.

	Consolidated	
	2022	2021
	\$	\$
<b>Income</b>		
Staff cost recoveries	33,915	101,335
Administration reimbursements	-	76
Total Income	33,915	101,411
<b>Expenses</b>		
Project related costs / reimbursements	(21,564)	(20,124)
Total Expenses	(21,564)	(20,124)
Net Income / (Expense)	12,351	81,287

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 22: Related party transactions (continued)

### (a) Associates (continued)

GWR's net balance outstanding as at 30 June 2022 was a receivable of \$5,912 (2021: \$21,976) (refer Note 9)

### (b) Transactions with related parties

There are no other related party transactions during the year, other than those relating to key management personnel (refer Note 5).

## Note 23: Cash flow information

	Consolidated	
	2022	2021
	\$	\$
<b>(a) Reconciliation of cash flows from operations with loss from ordinary activities after income tax</b>		
Loss from ordinary activities after income tax	(5,085,149)	(4,722,655)
<i>Add back /(deduct):</i>		
Depreciation	71,327	60,081
Right-of-asset depreciation	217,204	217,204
Sale of tenement	-	(125,000)
Impairment of plant & equipment	227,959	-
Loss on sale of plant & equipment	175,638	-
Interest on leases	36,777	46,309
<i>Changes in assets and liabilities</i>		
Decrease in trade and other receivables	21,940	9,924
(Increase)/decrease in other current assets	(27,754)	17,513
(Decrease)/increase in trade and other payables	(487,460)	359,730
Decrease in provisions	(17,247)	(1,688)
Cash flows used in operations	<u>(4,866,765)</u>	<u>(4,138,582)</u>

### (b) Non cash financing and investing activities

There were no non-cash financing and investing activities in the current or previous year.

# Notes to the Consolidated Financial Statements

## for the year ended 30 June 2022

### Note 24: Financial risk management objectives and policies

The Group's principal financial instruments are cash and cash equivalents. The main purpose of the financial instruments is to finance the Group's operations. The Group's also has other financial instruments such as restricted cash, trade debtors and creditors which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

#### (a) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The Group's exposure to interest rate risk is detailed in the table below.

The Group's has not entered into any hedging activities to manage interest rate risk. In regard to its interest rate risk, the Group's continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Total Interest Bearing	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
<b>2022</b>						
<i>Financial Assets</i>						
Cash	0.24	1,382,253	-	1,382,253	45,726	1,427,979
Term Deposit	0.92	-	13,202,820	13,202,820	-	13,202,820
Receivables	-	-	-	-	36,266	36,266
Other financial assets	1.26	-	244,310	244,310	-	244,310
		1,382,253	13,447,130	14,829,383	81,992	14,911,375
<i>Financial Liabilities</i>						
Trade creditors	-	-	-	-	393,179	393,179
Lease Liability	5.68	-	412,151	412,151	-	412,151
		-	412,151	412,151	393,179	805,330
<b>2021</b>						
<i>Financial Assets</i>						
Cash	0.06	1,930,972	-	1,930,972	223,859	2,154,831
Term Deposit	0.24	-	17,190,378	17,190,378	-	17,190,378
Receivables	-	-	-	-	58,206	58,206
Other financial assets	0.40	-	244,310	244,310	-	244,310
		1,930,972	17,434,688	19,365,660	282,065	19,647,725
<i>Financial Liabilities</i>						
Trade creditors	-	-	-	-	931,735	931,735
Lease Liability	5.68	-	656,337	656,337	-	656,337
	-	-	656,337	656,337	931,735	1,588,072

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 24: Financial risk management objectives and policies (continued)

### Interest Rate Risk Sensitivity

	-10%		10%	
	Profit	Equity	Profit	Equity
	\$	\$	\$	\$
<b>2022</b>				
Cash	(334)	(334)	334	334
Term Deposit	(12,142)	(12,142)	12,142	12,142
Other financial assets	(308)	(308)	308	308
<b>2021</b>				
Cash	(81)	(81)	81	81
Term Deposit	(2,941)	(2,941)	2,941	2,941
Other financial assets	(68)	(68)	68	68

Sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates.

- -10% sensitivity would move term deposit interest rates at 30 June 2022 from around 0.92% to 0.83% (2021: 0.24% to 0.22%) representing a 9.2 (2021: 2.4) basis points downwards shift, which is 6.4 (2021: 1.7) basis points net of tax.
- -10% sensitivity would have a negligible impact on cash interest rates at 30 June 2022 from around 0.24% to 0.22% (2021: 0.06% to 0.05%) representing a 2.4 (2021: 0.6) basis points downwards shift, which is 1.7 (2021: 0.4) basis points net of tax.
- -10% sensitivity would move other financial asset interest rates at 30 June 2022 from around 1.26% to 1.13% (2021: 0.40% to 0.36%) representing a 12.6 (2021: 4) basis points downwards shift, which is 8.8 (2021: 2.8) basis points net of tax.

Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances is impacted resulting in a decrease or increase in overall income.

### (b) Liquidity Risk

The Group manages liquidity risk by maintaining sufficient cash reserves required to meet the current exploration and administration commitments, through the continuous monitoring of actual cash flows. All payables are due within 30 days.

### (c) Fair Values

*For financial assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.*

### (d) Credit Risk

Credit risk arises in the event that counterparty will not meet its obligations under a financial instrument leading to financial losses. The Group is exposed to credit risk from its operating activities, financing activities including deposits with banks. The credit risk control procedures adopted by the Group is to assess the credit quality of the institution with whom funds are deposited or invested, taking into account its financial position and past experiences. The maximum exposure to credit risk on financial assets of the Group which have been recognised on the Consolidated Statement of Financial position is generally limited to the carrying amount. Cash and term deposits are maintained with major Australian banks.

### (e) Foreign Currency Risk

The Group is not exposed to any significant foreign currency risk.



# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 25: Subsequent events

On 12 August 2022, the Company announced to the ASX the appointment of Non-executive Director, Mr Teck Wong as an Executive Director and interim Chief Executive Officer effective from 9 August 2022, following the resignation of Mr Craig Ferrier as the Chief Executive Officer.

No other significant events have arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial year.

## Note 26: Parent entity

	Parent	
	2022	2021
	\$	\$
<b>Assets</b>		
Current assets	15,016,768	19,719,472
Non current assets	21,231,221	22,487,657
Total Assets	36,247,989	42,207,129
<b>Liabilities</b>		
Current liabilities	878,942	1,481,354
Non current liabilities	166,592	438,171
Total Liabilities	1,045,534	1,919,525
Net Assets	35,202,455	40,287,604
<b>Equity</b>		
Issued capital	82,460,127	82,460,127
Reserves	7,851,718	7,851,718
Accumulated losses	(55,109,390)	(50,024,241)
Total Equity	35,202,455	40,287,604

	Parent	
	2022	2021
	\$	\$
Loss for the year	(5,085,149)	(4,715,156)
Other comprehensive income	-	-
Total comprehensive loss for the financial year	(5,085,149)	(4,715,156)

Other than mentioned elsewhere in the financial report (refer Note 21), the Company is not aware of any significant contingencies as at the end of the financial year. The Company has not entered into any guarantees in relation to the debts of its subsidiaries.

# Notes to the Consolidated Financial Statements for the year ended 30 June 2022

## Note 27: Controlled entities

Tungsten Mining NL is the ultimate parent entity of the Group.

The following were controlled entities at balance date and have been included in the consolidated financial statements. All shares held are ordinary shares.

Company Name	Country of Incorporation	Percentage Interest Held	Percentage Interest Held	Acquired/ Incorporated
		2022	2021	Date
Parent Entity				
Tungsten Mining NL	Australia	-	-	13/07/2011
Subsidiaries of Tungsten Mining NL:				
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

# Directors' Declaration

In the opinion of the directors of Tungsten Mining NL:

- (a) the consolidated financial statements and the notes set out on pages to 41 to 68 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Group as at 30 June 2022 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
- (b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a); and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 30 June 2022.

This declaration is made in accordance with a resolution of the directors.



Gary Lyons  
Chairman  
Perth  
Dated 20 September 2022

# Independent Auditor's Report



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

### Report on the Audit of the Financial Report

We have audited the financial report of Tungsten Mining NL ("the Company"), and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be Key Audit Matter to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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# Independent Auditor's Report



Key Audit Matters	How the matter was addressed in the audit
<p><b>Carrying Value of Exploration and Evaluation Assets</b></p> <p>As at 30 June 2022, Exploration and Evaluation Assets totalled \$19,707,196 (refer to Note 13 of the financial report).</p> <p>The carrying value of exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The significance of the expenditure capitalised representing 53% of total assets;</li> <li>• The necessity to assess management's application of the requirements of the accounting standard Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present; and</li> <li>• The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure.</li> </ul>	<p>Inter alia, our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>Assessed the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation;</li> <li>Reviewed the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators, commodity prices and the stage of the Group's projects also against AASB 6;</li> <li>Evaluation of Group documents for consistency with the intentions for continuing exploration and evaluation activities in areas of interest and corroborated in discussions with management. The documents we evaluated included: <ul style="list-style-type: none"> <li>▪ Minutes of the board and management;</li> <li>▪ Announcements made by the Group to the Australian Securities Exchange;</li> <li>▪ Cash flow forecast; and</li> </ul> </li> <li>Consideration of the requirements of accounting standard AASB 6 and reviewed the financial statements to ensure appropriate disclosures are made.</li> </ol>
<p><b>Carrying value of Plant and equipment</b></p> <p>As at 30 June 2022, the carrying value of Plant and equipment totalled \$1,943,143 (refer to Note 11 of the financial report).</p> <p>Included in Plant and equipment is a Processing plant amounting to \$1,638,225. The Processing plant relates to a dismantled mineral processing facility and one x-ray ore sorter any of which is not currently being depreciated as neither are in use.</p> <p>The carrying value of Plant and equipment is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The assessment of significant judgements made by management in relation to the carrying value and future use of the Processing plant.</li> </ul>	<p>Inter alia, our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>Reviewed the directors' assessment of the carrying value of the Processing plant, ensuring the management has considered the effect of potential impairment indicators and future use of the plant.</li> <li>Ensured the carrying value of the x-ray ore sorter reflected the existence of the identified impairment indicators.</li> <li>Confirmed with the management and obtained documents to confirm the titles, existence and condition of the Processing plant.</li> <li>Evaluated the Group's documents for consistency with the intentions for the use of the Processing plant and corroborated with interviews with management. The documents we evaluated included: <ul style="list-style-type: none"> <li>▪ Minutes of the board and management; and</li> <li>▪ Announcements made by the Group to the Australian Securities Exchange.</li> </ul> </li> </ol>

# Independent Auditor's Report



	Considering the requirements of accounting standard Impairment of Assets ("AASB 136") and reviewed the financial statements to ensure appropriate disclosures are made.
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## ***Other Information***

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance opinion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## ***Responsibilities of the Directors for the Financial Report***

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## ***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material

# Independent Auditor's Report



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the Remuneration Report**

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 34 to 38 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Tungsten Mining NL for the year ended 30 June 2022 complies with section 300A of the Corporations Act 2001.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

## **STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**

**(Trading as Stantons International)**

**(An Authorised Audit Company)**

**Samir Tirodkar**

Director

West Perth, Western Australia

20 September 2022









# Additional ASX Information Security Holder Information

**As at 10 October 2022**



# Additional Information

Security holder information as at 10 October 2022.

## Distribution schedule and number of holders of equity securities

Holding Ranges	Holders	No. Shares	Percentage
<b>Listed ordinary shares</b>			
1-1,000	46	7,684	0.00%
1,001- 5,000	101	337,465	0.04%
5,001-10,000	155	1,370,908	0.17%
10,001-100,000	229	9,060,133	1.15%
100,001-and over	114	775,638,082	98.63%
<b>Total</b>	<b>645</b>	<b>786,414,272</b>	<b>100.00%</b>

Number of shareholders with an unmarketable holdings were 153, with total 377,730 shares, amounting to 0.05% of listed ordinary shares.

## Top twenty holders of quoted equity securities

Shareholder	No. Shares	Percentage
<b>Listed ordinary shares</b>		
1 CITICORP NOMINEES PTY LIMITED	268,726,886	34.17%
2 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	157,069,007	19.97%
3 BNP PARIBAS NOMS PTY LTD <DRP>	89,075,124	11.33%
4 GWR GROUP LTD	70,000,000	8.90%
5 MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	28,531,655	3.63%
6 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	21,961,028	2.79%
7 TA SECURITIES HOLDINGS BERHAD	17,023,286	2.16%
8 REYNAUD INTERNATIONAL LTD	11,006,100	1.40%
9 MISS SZE MIN LEE	9,844,000	1.25%
10 REYNAUD INTERNATIONAL LTD	8,334,700	1.06%
11 MR HARRY VUI KHIUN LEE	7,600,446	0.97%
12 MR TAN SRI DATO TIEN SENG LAW	6,000,000	0.76%
13 HONWAI PTY LTD <NORVIC FAMILY A/C>	5,000,000	0.64%
14 MR CHEW WAI CHUEN	4,104,167	0.52%
15 MR TECK SIONG WONG	4,000,000	0.51%
16 MR JIMMY KONG LENG LEE	4,000,000	0.51%
17 MR GARY LYONS	4,000,000	0.51%
18 MR GARY LYONS & MS TATJANA CUSMANO <LYONS SUPER FUND A/C>	4,000,000	0.51%
18 BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	3,816,484	0.49%
18 MR ANTHONY VUI HAN LEE	3,000,000	0.38%
18 MR MOK SAN WONG	2,500,000	0.32%
19 MS NYOK YEN WOON	2,260,000	0.29%
20 INDIGO ARC PTY LTD <THE ROUDITSER FAMILY SF A/C>	2,166,667	0.28%
<b>Total</b>	<b>734,019,550</b>	<b>93.34%</b>

# Additional Information (continued)

## Substantial shareholders

Shareholder	No. of shares	Percentage
GWR Group Limited	70,000,000	8.90%
Wynnes Investment Holding Ltd	52,077,500	6.62%

## Unquoted securities on issue

There were no unquoted securities on issue.

## Voting Rights

The voting rights attached to each class of equity securities are set out below.

### *Ordinary shares*

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

## Restricted Securities

There were 16,000,000 listed ordinary shares held in escrow.

These shares were provided to the Directors under interest free, limited recourse loan agreements and are repayable at the earlier of: the 10 year anniversary of the grant of the shares, the sale of the underlying shares, or the breach of the agreement. Any dividends received on the loan funded shares are first applied to any outstanding loan balance on a post tax basis.

These shares are to remain in escrow until the loan agreements are satisfied, with the latest escrow period ending date being 26 July 2028.

## On-market buy back

There is no current on-market buy back.









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