

ASX Announcement

Tungsten Mining agrees terms to acquire the Watershed Tungsten Project

The Directors of **Tungsten Mining NL** (ASX: TGN) ("TGN" or "the Company") are pleased to advise that the Company has agreed the terms with Vital Metals Ltd (ASX VML) ("Vital") for the acquisition of the Watershed Tungsten Project.

The Company and Vital have executed a binding term sheet ("Term Sheet") for TGN to acquire a 100% interest in the Watershed Tungsten Project located in north Queensland (refer Figure 1) for a cash consideration of \$15m.

Watershed is located 130km north of Cairns in a mining friendly jurisdiction. It is a development-ready opportunity with granted Mining Leases and an Environmental Authority for an open-pit development. Vital completed a Definitive Feasibility Study (DFS) for the project in 2014.

Further details on the Watershed Project are set out in Vital's ASX announcement dated 22 March 2018.

The sale is subject to the following conditions precedent; satisfactory completion of the purchasers due diligence enquiries, execution of ancillary deeds relating to land use agreements and royalty deed and Vital obtaining any required shareholder and regulatory approvals. TGN will update the market with respect to progress of the satisfaction of the relevant conditions. Completion is anticipated to occur in approximately two months.

TGN's CEO Mr Craig Ferrier said, *"We are delighted to have agreed terms for the purchase of this significant development-ready tungsten project. Tungsten Mining have a stated objective of becoming a globally significant player in the tungsten industry. The Watershed project complements our existing portfolio of advanced tungsten projects and substantial inventory of contained metal".*

-ENDS-

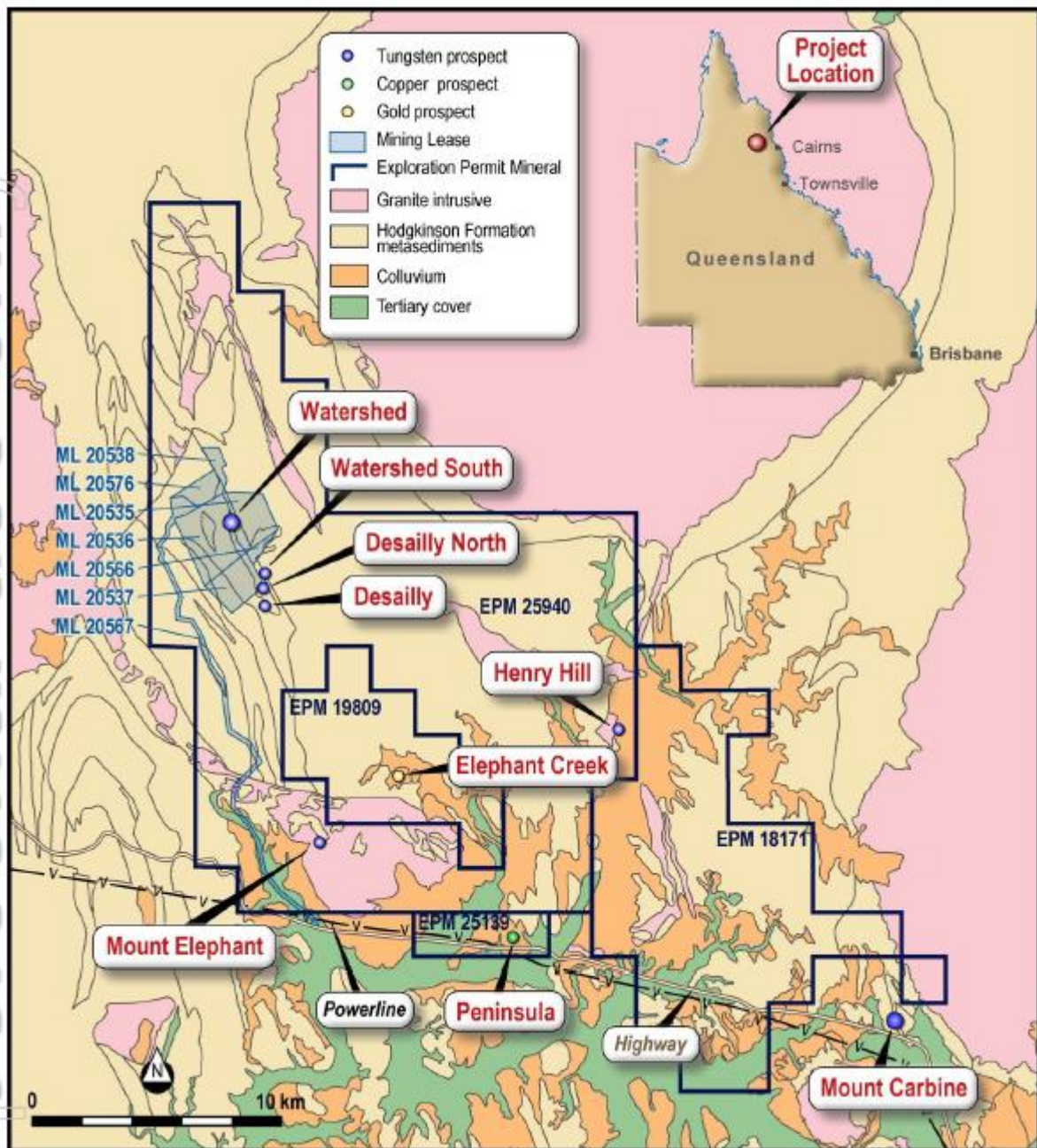
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Figure 1: Project Location Plan



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 commercial extraction and processing - wolframite ((Fe, Mn)WO₄) and scheelite (CaWO₄).

Tungsten has the highest melting point of all elements except carbon – around 3400°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.

Tungsten Mining has three advanced tungsten projects in Australia: the Mt Mulgine Project in the Murchison region, the Big Hill Project in the Pilbara region and the Kilba Project in the Ashburton region of Western Australia

Tungsten Mining is implementing a staged approach to the development of the Mt Mulgine Tungsten Project, initially focussed on a low capital start-up from Mulgine Hill, directed at demonstrating a pathway to positive cash flow and the basis for large scale mining and processing operations at Mulgine Trench.