



18 December 2024

ASX ANNOUNCEMENT

Cleansing Notice – Notification pursuant to sections 708A(5)(e) and 708A(12C)(e) of the Corporations Act 2001

This notice is given by Tungsten Mining NL (ACN 152 084 403) (ASX: TGN) (**TGN** or the **Company**) under section 708A(12C)(e) of the Corporations Act 2001 (Cth) (the **Act**) as inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82* and section 708A(5)(e) of the Act (**Cleansing Notice**).

The Company advises that:

- (a) it has issued:
 - (i) 107,500,000 fully paid ordinary shares (**Consideration Shares**) as consideration for the acquisition of all of the assets comprising the Hatches Creek Tungsten Project that it did not already own; and
 - (ii) 4,500 unsecured and unquoted convertible notes (**Convertible Notes**);
- (b) the Consideration Shares and the Convertible Notes were issued without disclosure to investors under Part 6D.2 of the Act;
- (c) this Cleansing Notice has been given:
 - (i) in the case of the Consideration Shares, in accordance with section 708A(5)(e) of the Act; and
 - (ii) in the case of the Convertible Notes, in accordance with section 708A(12C)(e) of the Act;
- (d) as at the date of this Cleansing Notice, the Company has complied with the provisions of Chapter 2M as they apply to the Company and section 674 and 674A of the Act; and
- (e) as at the date of this Cleansing Notice, there is no information that is 'excluded information' within the meaning of section 708A(7) and 708A(8) of the Act which is required to be disclosed by the Company under section 708A(6)(e) of the Act.

The purpose of this Cleansing Notice is to enable the Consideration Shares and any shares that may be issued on any future conversion of the Convertible Notes to be on-sold to retail investors without further disclosure. This Cleansing Notice is an important document and should be read in its entirety. Neither ASIC nor ASX takes any responsibility for the contents of this Cleansing Notice.

Background

The Company announced today that it has completed a capital raising through an issue of Convertible Notes raising \$4,500,000. The Company issued an aggregate of 4,500 Convertible Notes each with a face value of \$1,000 to various professional and sophisticated investors. A summary of the key terms of the Convertible Notes is set out below.



The Company issued the Convertible Notes utilising the Company's placement capacity under ASX Listing Rule 7.1.

The Directors consider the issue of the Convertible Notes to be in the best interests of the Company's shareholders (**Shareholders**). The Company opted to raise capital by way of an issue of Convertible Notes having regard to the timing in which the funding was required, general market conditions, and the Company's financial position.

Contents of this Cleansing Notice

This Cleansing Notice sets out the following:

- (a) the effect of the issue of the Convertible Notes on the Company;
- (b) the rights and liabilities attaching to the Convertible Notes;
- (c) the rights and liabilities attaching to the fully paid ordinary shares (**Shares**) that will be issued on the conversion of the Convertible Notes should such occur; and
- (d) any information that:
 - (i) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Shares.

Effect of the issue on the Company

The principal effect of the issue of the Convertible Notes on the Company will be:

- (a) to increase the Company's cash reserves by up to \$4,500,000 (before costs associated with the issue of the Convertible Notes, based on the face value of the Convertible Notes);
- (b) to increase the number of unquoted convertible notes on issue from nil to 4,500;
- (c) the Company having a liability for the aggregate face value of the Convertible Notes, being \$4,500,000, plus accrued interest;
- (d) each Convertible Note will bear an interest at the rate of 10% per annum payable quarterly in arrears; and
- (e) if the Convertible Notes are converted, the Company's indebtedness will reduce and its capital structure will change. The effect of the conversion of the Convertible Notes on the Company's capital structure is shown in the tables below.

Pro-forma consolidated statement of financial position

Set out in the Annexure to this Cleansing Notice is a pro forma consolidated Statement of Financial Position as at 18 December 2024 for the Company based on the audited 30 June 2024 financial statements adjusted to reflect the Convertible Notes issue and has been prepared on the basis of the accounting policies normally adopted by the Company.

The pro forma financial information is presented in an abbreviated form in so far as it does not include all of the disclosures required by the International Accounting Standards applicable to the Company's annual financial statements. The pro forma financial information is not audited. The classification and amounts of the allocations between debt and equity for the Convertible Notes may change in the future once they are subject to external valuation and audit.

Potential effect on capital structure

The capital structure of the Company as at the date of this Cleansing Notice, before the issue of the Convertible Notes is set out below:

Security	Number on issue
Shares	893,914,272

The tables below show the potential effect of the issue of the Convertible Notes, and the potential effect of the conversion of the Convertible Notes as at the date of this Cleansing Notice:

Maximum effect of issue of the Convertible Notes

	Shares	% of Shares	Notes
Existing securities on issue	893,914,272	100%	-
Issue of Convertible Notes	-	-	4,500
Total	893,914,272	-	4,500

Maximum effect of conversion of the Convertible Notes

	Shares	% of Shares	Notes
Existing securities on issue	893,914,272	91.61%	-
Conversion of Convertible Notes	81,818,182	8.39%	(4,500)
Total	975,732,454	100%	0

The Company notes

- (a) as at the date of this Cleansing Notice, no Convertible Notes have been converted; and
- (b) the tables set out above:
 - (i) are based on the assumption that the Company does not repay any of the outstanding amounts owed under the Convertible Notes prior to their conversion;
 - (ii) are based on the assumption that all subscribers convert their Convertible Notes;
 - (iii) rounds any fractional entitlement to a Share upwards; and
 - (iv) account for the issue of the Consideration Shares to GWR Group Limited on Monday, 16 December 2024 as consideration for the acquisition by the Company of all of the assets comprising the Hatches Creek Tungsten Project that it did not already own.

Rights and liabilities attaching to the Convertible Notes

Key terms of the Convertible Notes are summarised as follows:

Key term	Description
Issue amount	\$4,500,000 in aggregate.
Issue price	Face value of \$1,000 per Convertible Note.
Interest rate	10% per annum payable in quarterly in arrears.
Maturity date	The date that is 12 months from the date of issue.
Conversion terms	At the subscriber's election, all (but not part) Convertible Notes held by a subscriber may be converted into Shares at the conversion price at any time before the maturity date by providing a written conversion notice. To the extent no conversion notice has been provided to the Company, the Company must repay the principal sum to the subscriber on the maturity date.
Conversion price	\$0.055 per Share
Quotation and transfer	The Convertible Notes will not be quoted on ASX and are only transferrable in certain circumstances where approved by the Company.
Event of default	The following occurrences constitute an event of default: <ul style="list-style-type: none"> (a) the Company fails to convert a Convertible Note within one week of the required conversion date; (b) an insolvency event occurs in respect of the Company; (c) the Company fails to perform any material obligation under the terms of the Convertible Notes (other than a failure to convert) and such failure has a material adverse effect; (d) a member of the Company's group disposes of all or a substantial part of the group's assets; (e) the Company receiving a demand for repayment of any indebtedness, any indebtedness of the Company not being paid when payment is due or a security interest granted by the Company is enforced; or (f) any warranty or representation by or on behalf of the Company to the relevant subscriber is or becomes false, misleading (including by omission) or incorrect in any material respect.
Representations, warranties and covenants	The Company has provided the subscriber with customary representations and warranties, as well as customary negative covenants.

Rights and liabilities attaching to the Shares

The Shares issued to the subscribers on the conversion of the Convertible Notes will rank equally in all respects with the Company's existing Shares.

The rights attaching to Shares, including new Shares to be issued to the subscribers on conversion of the Convertible Notes are set out in the Company's constitution, and regulated by Australian law, the ASX Listing Rules, and the general law. The Company's constitution is on terms that are customary for an Australian public company listed on the ASX.

The following is a broad summary of the key provisions in the Constitution and the rights attaching to Shares. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available on www.tungstenmining.com or from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements.

Key provision	Description
Voting rights	Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders on a vote taken by a show of hands or by proxy, attorney or representative has one vote for every Share held by him or her. At any general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is effectively demanded and the demand is not withdrawn.
Dividends	Shareholders are entitled to dividends as a result of their ownership of their Shares in accordance with the Constitution.
Rights on winding up	Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of Shares held by them. A liquidator may, with the sanction of a special resolution, distribute the assets of the Company among the Shareholders as the liquidator determines, but may not require a Shareholder to accept any Shares or other securities in respect of which there is any liability.
Transfer of Shares	A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the ASX Listing Rules or the Act for the purpose of facilitating dealings in Shares or by an instrument in writing in any usual or common form or in any other form approved by the Directors. The Directors may refuse to register any transfer of Shares, where the Company is permitted or required to do so by the ASX Listing Rules or the ASX Settlement Operating Rules or a Restriction Agreement.
Meetings and notice	Unless waived, each Shareholder is entitled to receive notice of and to attend general meetings for the Company in person or by proxy, attorney or representative and to receive all notices, accounts and other documents required to be sent to Shareholders under the constitution, the Act or the ASX Listing Rules.
Liquidation rights	The Company has only issued one class of shares, which all rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied, a liquidator may, with the authority of a special resolution of Shareholders divide among the Shareholders the whole or any part of the assets of the Company. The liquidator can with the sanction of a special resolution of Shareholders vest the whole or any part of the assets in trust for the benefit of Shareholders as the liquidator thinks fit, but no Shareholder can be compelled to accept any Shares or other securities in respect of which there is any liability.
Sale of unmarketable parcels	The Company may take steps in respect of unmarketable parcels of Shares in the Company to effect an orderly sale of those Shares in the event that holders do not take steps to retain their securities. The Company may only take steps to eliminate unmarketable parcels in accordance with the Constitution and the ASX Listing Rules.

Compliance with disclosure obligations

The Company is a “disclosing entity” under the Act and, as such, is subject to regular reporting and disclosure obligations under both the Act and the ASX Listing Rules. Broadly these obligations require:

- (a) the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from ASX; and
- (b) the preparation of yearly and half-yearly financial statements and a report of the Company’s operations during the relevant account period, together with an audit or review report prepared by the Company’s auditor. These documents are lodged with ASIC and ASX.

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. Copies of all documents announced to the ASX can be found at www.asx.com.au or www.tungstenmining.com.

The Company will provide free of charge to any person who requests it during normal business hours:

- (a) the Annual Report for the financial year ended 30 June 2024 lodged with ASX on 26 September 2024 (“Annual Report”); and
- (b) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report lodged with ASX on 26 September 2024 until the date of this cleansing notice:

Date	Announcement
30/10/2024	Notice of Annual General Meeting/Proxy Form
30/10/2024	Quarterly Activities/Appendix 5B Cash Flow Report
13/11/2024	Addendum to Notice of Annual General Meeting/Proxy Form
18/11/2024	Pause in Trading
18/11/2024	Trading Halt
20/11/2024	TGN to Acquire Mt Mulgine Project Assets
29/11/2024	Results of Annual General Meeting
16/12/2024	Trading Halt
16/12/2024	Completion of Hatches Creek Tungsten Project Acquisition
16/12/2024	Application for quotation of securities - TGN
16/12/2024	GWR: GWR Completes Sale of Hatches Creek Tungsten Project
17/12/2024	Settlement to Acquire Mt Mulgine Project Assets Completed
18/12/2024	Completion of \$4.5M capital raising
18/12/2024	Proposed issue of securities - TGN
18/12/2024	Notification regarding unquoted securities - TGN

Excluded information

As at the date of this Cleansing Notice there is no information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; or
- (b) that is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Shares.

This ASX announcement was authorised for release by the board of Tungsten Mining NL. Appendix 3G is lodged with respect to the Convertible Notes issued.

For further information:

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About Tungsten Mining

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.

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.

ANNEXURE

Pro forma consolidated statement of financial position as at 18 December 2024

	TGN Audited 30.06.24	Post Bal Date Events	Total Post Bal Date Events	Proforma Adj	Pro-forma Balance Sheet
Current Assets					
Cash and cash equivalents	\$8,067,582	(\$7,435,621)	\$631,961	\$4,230,000	\$4,861,961
Trade and other receivables	\$127,417	-	\$127,417	-	\$127,417
Other financial assets	\$328,277	-	\$328,277	-	\$328,277
Total Current Assets	\$8,523,276	(\$7,435,621)	\$1,087,655	\$4,230,000	\$5,317,655
Non-Current Assets					
Exploration and evaluation expen	\$19,707,196	\$11,900,000	\$31,607,196	-	\$31,607,196
PPE	\$1,000,919	-	\$1,000,919	-	\$1,000,919
Right-of-use assets	\$621,457	-	\$621,457	-	\$621,457
Total Non-Current Assets	\$21,329,572	\$11,900,000	\$33,229,572	-	\$33,229,572
Total Assets	\$29,852,848	\$4,464,379	\$34,317,227	\$4,230,000	\$38,547,227
Current Liabilities					
Trade and other payables	\$1,090,659	-	\$1,090,659	-	\$1,090,659
Convertible Note	-	-	-	\$4,500,000	\$4,500,000
Lease liabilities	\$124,616	-	\$124,616	-	\$124,616
Provisions	\$95,253	-	\$95,253	-	\$95,253
Total Current Liabilities	\$1,310,528	-	\$1,310,528	\$4,500,000	\$5,810,528
Non-Current Liabilities					
Lease liabilities	\$516,495	-	\$516,495	-	\$516,495
Provisions	\$650,327	-	\$650,327	-	\$650,327
Total Non-Current Liabilities	\$1,166,822	-	\$1,166,822	-	\$1,166,822
Total Liabilities	\$2,477,350	-	\$2,477,350	\$4,500,000	\$6,977,350
Net Assets	\$27,375,498	\$4,464,379	\$31,839,877	(\$270,000)	\$31,569,877
Equity					
Issued capital	\$82,460,127	\$8,600,000	\$91,060,127	-	\$91,060,127
Reserves	\$7,851,718	-	\$7,851,718	-	\$7,851,718
Accumulated losses	(\$62,936,347)	(\$4,135,621)	(\$67,071,968)	(\$270,000)	(\$67,341,968)
Total Equity	\$27,375,498	\$4,464,379	\$31,839,877	(\$270,000)	\$31,569,877