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TUNGSTEN MINING

ASX : TGN

ASX Announcement

Watershed Preliminary Economic Evaluation








18th June 2026

ASX ANNOUNCEMENT

18th June 2026

Strong Economic Evaluation Outcomes
Position Watershed for Rapid Development

Australian tungsten developer **Tungsten Mining NL (ASX: TGN, OTCQB: TGNMF) ("Tungsten Mining," "TGN," or "the Company")** is pleased to advise that it has completed a Preliminary Economic Evaluation (PEE) for its 100%-owned Watershed Tungsten Project (WTP) in Queensland, confirming strong technical and economic potential at a time of tightening in global tungsten supply. With granted mining leases and primary approvals already in place, the Company is now advancing toward a Final Investment Decision (FID) in September 2026 and first production targeted in 2027.

Highlights

A$1,309M	198%	9 Months	A$274M	1.3	8 Years
Pre-tax NPV	Pre-tax IRR	Payback	Start-up Capex	Strip Ratio	Life of Mine

Outcomes:

- PEE delivers pre-tax NPV of **A$1,309M** and IRR of **198%** at an 8% discount rate, with nine-month payback from first ore
- Total pre-production capital of **A$274M** (±25%) underpins a capital-efficient, high-margin operation with a Life-of-Mine (LoM) operating margin of 56%
- JORC 2012 Mineral Resource of 69.7 Mt at 0.11% WO_3; supports low overall strip ratio of 1.3 across an eight-year mine life
- Conventional ore sorting, gravity, and flotation flowsheet; supported by recent and historical testwork
- Mobile and modular plant configuration supports accelerated construction and commissioning timeline

Next Steps:

- All major approvals including an Environmental Authority in place; secondary approvals progressing to facilitate site works
- Infill drilling program exceeding 15,000m commencing in July 2026 to support resource definition in areas targeted for initial mining
- Early works to support site establishment, expected to commence in June 2026 including civil works for the access road and laydown areas
- Detailed civil engineering commenced, FEED phase for facilities to commence in July 2026
- Targeting an initial Preliminary Investment Decision (PID) to enable procurement of Long-Lead items (LLIs) followed by a Final Investment Decision (FID) in September 2026
- First production targeted end of H1 2027

Tungsten Mining Chairman, Gary Lyons commented:

"The completion of the Watershed Preliminary Economic Evaluation is a significant milestone for Tungsten Mining. The study highlights strong project economics and a clear, executable path to production in context with a compelling tungsten market. With primary approvals in place and pre-commitment funding allocated, we are focused on advancing the project toward a Final Investment Decision in September 2026 and first production thereafter in 2027."

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Executive Summary

Key Outcomes

Overview

- Conventional open-cut mining and processing operation
- Favourably located, stable and secure mining jurisdiction, close to major regional centres
- Major environmental permits already in place

Project Strategy

- Speed-to-market targeting first production in H1 2027
- ECI strategy adopted across Process and Non-Process Infrastructure Packages
- Mobile and modular plant configuration, accelerated construction and commissioning schedule

Financials

- Pre-tax NPV (8%) of **A$1,309M** and IRR of **198%**
- Pre-production capital of A$274M (±25%); payback 9 months from first ore
- Spot price reducing to base case APT price of US$1,000/mtu long-term

Mineral Resource Estimate

- Mineral Resource Estimate of **69.7 Mt** at **0.11% tungsten (WO_3)** grade
  - Measured: 12.5 Mt @ 0.13% WO_3
  - Indicated: 41.9 Mt @ 0.10% WO_3
  - Inferred: 15.3 Mt @ 0.11% WO_3

Mining Method

- Approximate 8-year mine life
- Conventional open-pit contractor mining with low strip ratio of 1.3
- Staged mining approach targeting high grade, near surface mineralisation in early mine life

Process Plant

- 3 Mtpa ROM via mobile crushing, ore sorting, three-stage milling, gravity concentration, and flotation
- Ore sorting reduces beneficiation plant feed to ~1.1 Mtpa, reducing wet plant capacity requirements

NPI

- Power generation via diesel power station for 8–10 MW capacity
- 250-person permanent camp with initial construction camp for 80–120 persons
- 24 km unsealed access road from Mulligan Highway
- Six dams providing up to 849 ML of total water storage at full build-out

Approvals and Permitting

- Seven Mining Leases (100%) granted across the project area
- Environmental Authority approved
- Secondary approvals and fauna management plan updates progressing

Opportunities

- 2026 infill drilling program expected to improve resource confidence and offers potential to expand pit inventory
- Transition to owner-operated mining offers unit cost reduction as operations mature

Watershed — A critical mineral project of global significance

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1 STUDY OVERVIEW & OUTCOMES

1.1 BACKGROUND & STUDY PURPOSE

The Watershed Tungsten Project is located approximately 130km north of Cairns in Queensland, Australia, within a mining-friendly jurisdiction and on fully granted Mining Leases. Tungsten Mining NL (ASX: TGN) acquired the project in August 2018 and has progressed it through resource definition, metallurgical testwork, and engineering studies. A Definitive Feasibility Study (DFS) was completed by former project owner Vital Metals Limited in 2014[1]. In Q1 2026, TGN commenced a Preliminary Economic Evaluation (PEE) to update and redefine the development scope, costs, and economic viability of the project considering the significant structural shift in global tungsten demand and pricing that evolved across 2025 and into 2026.

The PEE was prompted by, and seeks to capitalise on, a marked tightening of global tungsten supply — driven primarily by Chinese export restrictions — which has resulted in APT (Ammonium Paratungstate) prices reaching historically elevated levels. With a spot price of US$3,140/mtu as of May 2026[2] and sustained global demand from defence, industrial, environmental, technology and transport applications, the Company identified a favourable opportunity to accelerate the Watershed Project toward production. The primary objective of the PEE study was to develop a capital cost estimate at ±25% accuracy (AACE Class 3/4) sufficient to support a Preliminary Investment Decision (PID) and commit pre-production funding, with the Watershed Project targeting first production by H1 2027.

The PEE outcomes will enable the Company to evaluate release of pre-commitment funding to secure Long Lead Items (LLIs). A Final Investment Decision (FID) is targeted for September 2026, supported by an AACE Class 2 (±15%) estimate currently in preparation.

1.2 PROJECT DESCRIPTION

Watershed is planned as a conventional open pit mining operation processing 3 Mtpa of ROM ore through a mobile crushing and screening circuit, ore sorting, modularised milling, gravity concentration, and flotation to produce a scheelite concentrate targeting 50% tungsten trioxide (WO_3). The process flowsheet has been developed through extensive historical testwork and recent metallurgical work completed at Nagrom in Perth on core samples retrieved from site. As part of the project execution strategy, mobile crushing was selected over fixed infrastructure to prioritise speed to market while maintaining operational flexibility.

The project has a life-of-mine of approximately 8 years (with the processing plant continuing to operate for a further seven years), producing an estimated 31,350 tonnes of WO_3 (produced as a concentrate) at a life-of-mine average annual rate of approximately 2,090 tonnes WO_3. Life-of-mine ore schedule totals 38.9 Mt at an average mined grade of 0.111% WO_3 against 51.8 Mt of waste, yielding a favourable overall strip ratio of 1.3 based on the original Vital Metals pit design. The mine is planned in seven stages, sequenced to access the highest-grade ore at the lowest strip ratios in the early years, providing strong project economics from the outset.

Of the Mineral Resources scheduled for extraction in the Study production plan >90% fall within the Indicated or Measured Category and there is no certainty that further work will result in the production target itself will be realised.

The project's primary approvals are already in place — including the Environmental Authority (EA), seven granted Mining Leases (100% interest), and an Indigenous Land Use Agreement (ILUA) — removing the key permitting risks from the critical path and providing TGN with a meaningful competitive advantage over comparable tungsten development projects globally.

1.3 RESOURCE

The study is underpinned by a JORC 2012 Mineral Resource Estimate declared by Tungsten Mining in June 2026 and prepared by H&S Consultants Pty Ltd. The total resource stands at 69.7 Mt at 0.11% WO_3 (containing approximately 76,000 tonnes of WO_3) at a 0.04% WO_3 cut-off grade[3]. The mining study adopted the original pit design

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[1] *Refer to Vitals Metals' ASX Announcement dated 17th September 2014, "Watershed DFS Confirms Strong Economics - 2.5mtpa Project",*

[2] *Fastmarkets, May 2026 Ammonium Paratungstate Price (APT 88.5% WO_3 min cif Rotterdam and Baltimore duty-free).*

[3] *Refer to Tungsten Mining ASX Announcement dated 18th June 2026, "Updated Watershed Mineral Resource Estimate.*

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developed in the 2014 Vital Metals DFS, which formed the basis of the previous Ore Reserve declaration[4]. Mineralisation remains open at depth and along strike in several areas, presenting a meaningful opportunity for resource growth. An infill drilling campaign (>15,000m of RC drilling) is scheduled to commence in July 2026, with results expected in September–October 2026 to provide additional confidence in the resource prior to commencement of mining activities.

1.4 Financial Outcomes

The Watershed Project offers strong financial outcomes at current tungsten market conditions and retains robust economics even under conservative long-term price assumptions. The Base Case is modelled on a declining price assumption, with the APT price tapering linearly from the May 2026 spot price of US$3,140/mtu[5] to a long-term assumption of US$1,000/mtu by June 2030, reflecting anticipated market rebalancing as new supply comes progressively online.

Table 1-1: PEE Study Financial Outcomes

Metric	Base Case Value
Pre-Tax NPV (8% discount rate)	A$1,309
Pre-Tax IRR	198%
Cumulative Life-of-Mine Cashflow	A$2,009M
Capital Cost (pre-production)	A$274M
Operating Margin (LoM average)	56%
OPEX	A$48/t crusher feed
	A$594/mtu APT
LoM Realised Price	US$1,248/mtu APT
Payback Period (from first ore)	9 months

The pre-tax NPV of A$1,309M represents approximately five times the projected capital cost of A$274M, a ratio that reflects both the scale of the current price environment and the project's inherently low-cost characteristics — notably the low strip ratio, high operating margins, and a capital-efficient flowsheet built around mobile and modular equipment. Sensitivity analysis confirms the project retains a positive NPV even at a 25% decline in tungsten price from the base case and remains positive above a long-term average of approximately US$600/mtu. The project is most sensitive to tungsten price movements and the USD:AUD exchange rate and demonstrates comparatively low sensitivity to capital and operating costs, reinforcing the estimated robust financials of the project.

1.5 Capital & Operating Cost Summary

Total pre-production capital expenditure (CAPEX) is estimated at A$274M (AACE Class 3/4, ±25%), based predominantly on vendor quotations received through the Early Contractor Involvement (ECI) process. Operating expenditure (OPEX) was estimated to the same standard using a first-principles model, with input costs sourced from vendors and Original Equipment Manufacturers (OEMs) where available, and benchmarked against comparable projects or current industry pricing where not.

[4] *Refer to Vitals Metals' ASX Announcement dated 17th September 2014, "Watershed DFS Confirms Strong Economics - 2.5mtpa Project",*

[5] *Fastmarkets, May 2026 Ammonium Paratungstate Price (APT 88.5% WO_3 min cif Rotterdam and Baltimore duty-free).*

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Table 1-2: Capital & Operating Costs Summary

Category	A$M
Process Infrastructure	$89.7
Civils	$51.3
Owner's Costs (incl. fuel)	$36.9
Dams & Water Supply	$17.9
EPCM	$12.3
Early Works Camp & Construction Facilities	$5.6
Camp (Permanent)	$7.7
Mining	$9.3
Project Development	$10.7
NPI	$4.4
Power Supply & Reticulation	$1.5
EHA & Land Access	$3.0
Contingency	$20.4
Growth & Escalation	$3.6
Total	**$274.3M**

Categories	A$ per Tonne Crusher Feed
Mining	$19.00
Processing Plant	$8.18
Crushing	$3.88
Tailings Disposal & Waste Rock Handling	$1.37
Other (Camp, Admin)	$5.45
Labour	$7.96
Financing Cost	$2.02
Total (A$)	**$47.87/t**
	$593.62/mtu

1.6 PROJECT EXECUTION & SCHEDULE

The Watershed Project has been structured around three core execution packages consisting of civil works, process infrastructure and non-process infrastructure. Each package is designed to maximise TGN's control over decision-making and ensure rapid delivery through direct oversight of engineering, procurement, and construction activities.

Pre-production funding for early works are scheduled to commence in June 2026, with the access road targeting completion ahead of the onset of the 2026/ 2027 wet season. Long-lead item procurement, is part of the pre-production funding, will proceed in parallel from June 2026. Plant installation is targeted to commence late 2026/ early 2027, with commissioning and first production at the end of H1 2027.

1.7 CONCLUSION

The Watershed Preliminary Economic Evaluation demonstrates a technically feasible and financially robust project. With major approvals secured, a conventional flowsheet supported by testwork, and a defined construction and commissioning schedule targeting first production within approximately 12 months from a Preliminary Investment Decision, the project is well-positioned for execution. Strong operating margins, a short payback period, and the opportunity for meaningful improvement in the grade of the resource combined with the current elevated tungsten price environment underpin a compelling case for development of the Watershed Project.

The forward work plan established during the PEE will focus on several parallel workstreams: secondary approvals, early civil works, long-lead item procurement, and engineering design.

2 PROJECT OVERVIEW

Watershed is located 130km north of Cairns in a mining friendly jurisdiction, with granted Mining Leases, active exploration permits and a current Environmental Authority approved for an open-pit development. Former project owner, Vital Metals Limited (Vital Metals) completed a Definitive Feasibility Study for the project in 2014[6]. Project location is shown in Figure 2-1.

Tungsten Mining acquired the project in August 2018, involving the acquisition of North Queensland Tungsten Pty Ltd, the holder of a 100% interest in the Watershed Project[7].

The Watershed Project substantially adds to Tungsten Mining's global resource inventory and boasts a JORC 2012 Mineral Resource Estimate of 69.7 Mt grading 0.11% WO_3 comprising Measured Resources of 12.5 Mt at 0.13% WO_3, Indicated Resources of 41.9 Mt at 0.10% WO_3 and Inferred Resources of 15.3 Mt at 0.11% WO_3 at a cut-off grade of 0.04% WO_3[8].

A summary of the tenements and ownership structure is shown in Table 2-1 and Figure 2-2.

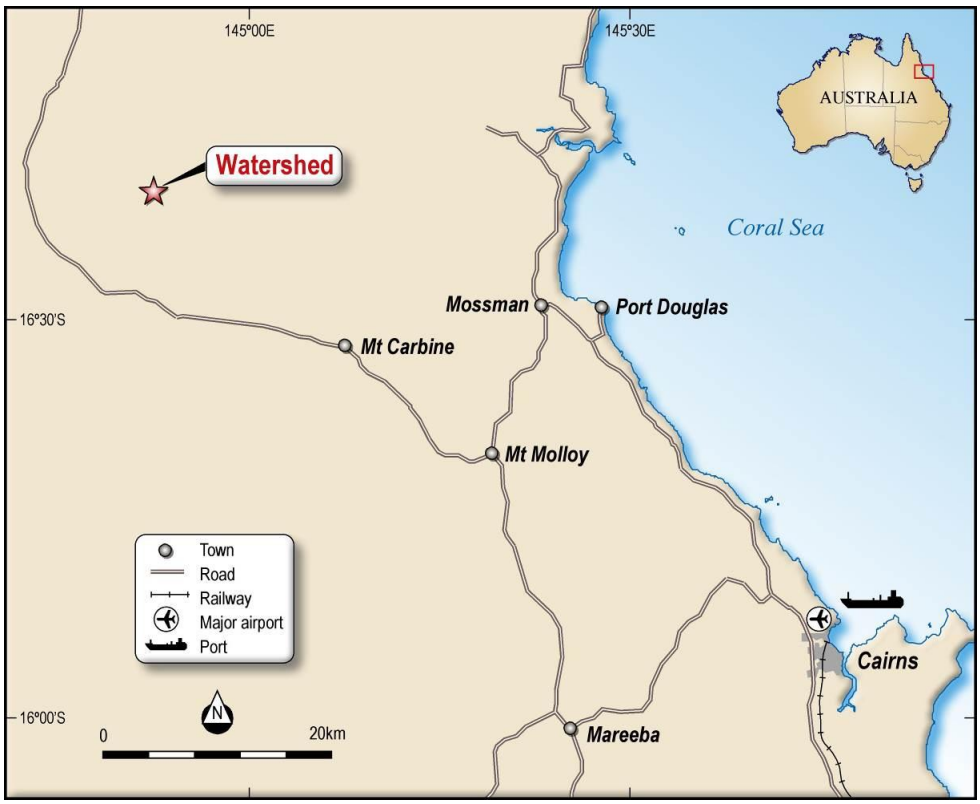


Figure 2-1: Project Location

[6] *Refer to Vitals Metals' ASX Announcement dated 17th September 2014, "Watershed DFS Confirms Strong Economics - 2.5mtpa Project",*

[7] *Refer to TGN ASX Announcements dated 10th August 2018, "Acquisition of Watershed Tungsten Project Completed",*

[8] *Refer to Tungsten Mining ASX Announcement dated 18th June 2026, "Updated Watershed Mineral Resource Estimate.*

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Table 2-1: Watershed Tenement Summary

Tenement Type	Tenement	Interest Held
Mining Lease	ML20535	100%
Mining Lease	ML20536	100%
Mining Lease	ML20537	100%
Mining Lease	ML20538	100%
Mining Lease	ML20566	100%
Mining Lease	ML20567	100%
Mining Lease	ML20576	100%
Exploration Permit	EPM25940	100%
Exploration Permit	EPM29456	100%

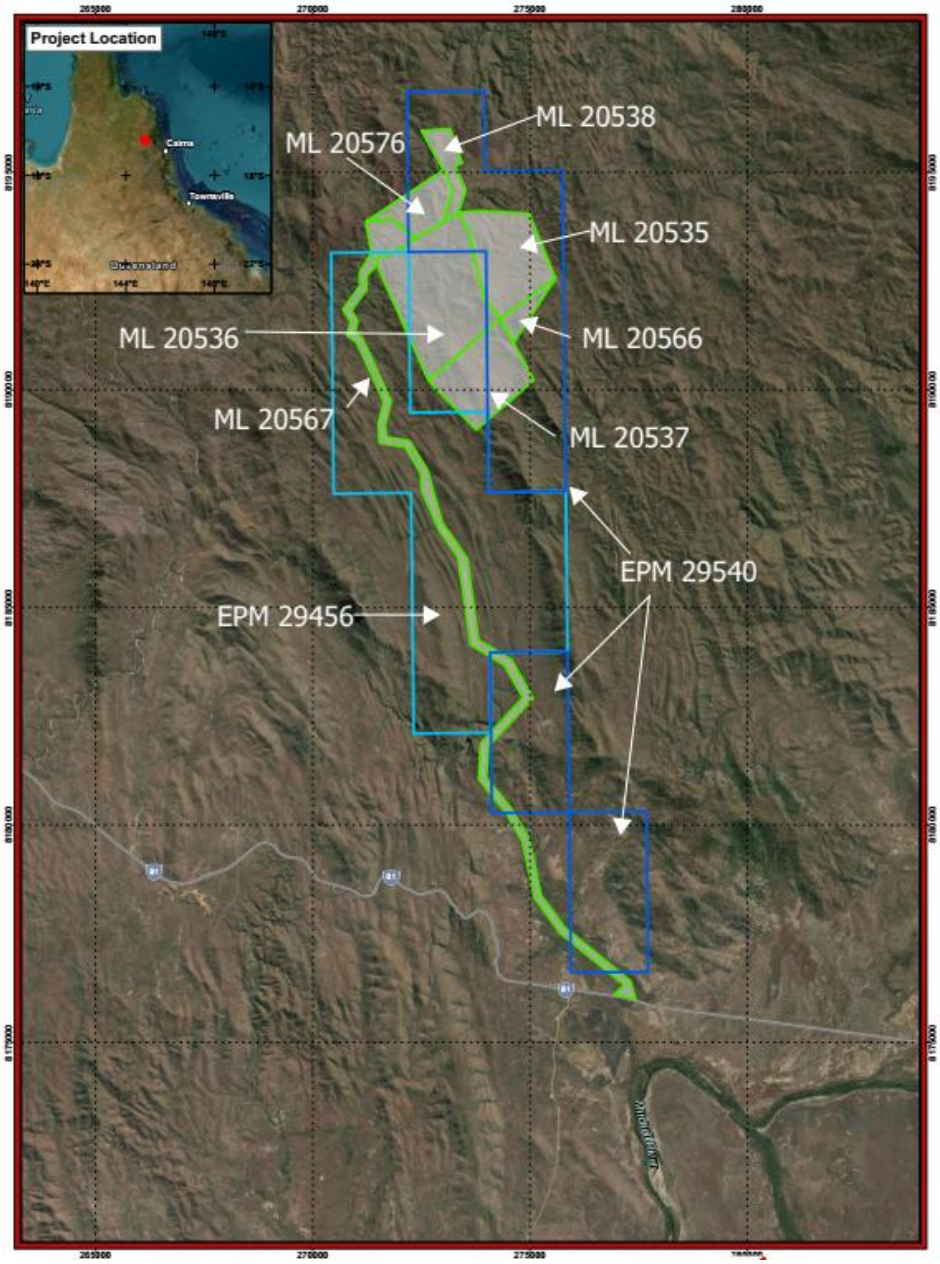


Figure 2-2: Watershed Tenement Map

3 STUDY OBJECTIVES

A Project Economic Evaluation (PEE) was undertaken to update and redefine the development scope, costs, and economic viability of the Watershed Tungsten Project. This work builds on Vital Metals' 2014 DFS and was prompted by a significant structural shift in global tungsten demand and price during 2025 and into 2026.

To support the PEE, approximately 3,700kg of core samples from Vital Metals' earlier exploration campaigns was retrieved from site, re-assayed, and subjected to metallurgical testing at Nagrom in Perth. This work was undertaken to validate the original process flow sheet and optimise equipment selection.

The primary objective of the PEE was to develop a capital cost estimate at ±25% accuracy for the Watershed Facilities. This level of definition will enable TGN to make a Preliminary Investment Decision (PID) and commit funding for Long Lead Item procurement. The study will also support the next phase of engineering design, scoping, and costing activities required to reach an AACE Class 2 estimate (±15% accuracy) and Final Investment Decision (FID) targeted for September 2026.

3.1 PROJECT AREAS

The PEE involved the study, definition, and costing of three distinct project areas:

- Process Infrastructure;
- Non-Process Infrastructure (NPI); and
- Civils, including Early Mining

3.2 ENGINEERING

Mincore Engineering Pty Ltd was appointed as the Engineering Service Provider (ESP) to support TGN across the Process Infrastructure and Non-Process Infrastructure scopes. Mincore provided scope package definition, vendor engagement, process engineering design, balance of plant (BOP) equipment design, and capital cost estimating services. The company brings recent, relevant experience in tungsten processing, having delivered Engineering, Procurement, Construction and Management (EPCM) support for Masan's Nui Phao Tungsten Mine and Processing Facility in Vietnam (the largest tungsten operation outside of China) and the EQ Resources Mt Carbine Mine and Processing Facility in Far North Queensland.

3.3 STUDY DELIVERY APPROACH

To accelerate the study while maintaining quality, an ECI scope packaging strategy was implemented for key process and non-process infrastructure packages.

For the **Process Infrastructure**, the following were packaged as discrete ECI packages:

- Milling
- Gravity
- Flotation and Thickening
- Drying and Product Handling

To define the Process Infrastructure scope, the following deliverables were developed:

- Process mass balance
- Process design criteria
- Process flow sheets and Process Flow Diagrams (PFDs)
- Mechanical equipment lists

For **Non-Process Infrastructure**, packages were divided into:

- Camps
- NPI Buildings
- Power Supply

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For the **Civils** scope; Colliers Australia (civil design engineers) were engaged to provide concept designs and costs. This included design and costing for the Main Access Road, Process Plant Pad, and Site Water Dams. An ECI process to determine civils total installed costs was also undertaken with Tier 1.5, Tier 2, and Tier 3 civil contractors from Queensland and Western Australia to obtain proposals for both early works and full execution phases.

Upon receipt of ECI vendor proposals and the development of Process Infrastructure, NPI, Civils and Balance of Plant costs, Mincore produced a Capital Cost Estimate to a **±25%** level of accuracy aligning with AACE Class 3 / Class 4 cost estimate requirements.

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4 RESOURCE & GEOLOGY

The Watershed tungsten deposit is situated within the Siluro-Devonian Hodgkinson Formation, approximately 130km north of Cairns in Far North Queensland. The Formation comprises a thick sequence of flysch-style sedimentary and volcanic rocks within the northern Tasman Orogenic Belt, metamorphosed to lower to mid greenschist facies and intruded by Permian-age granitic bodies of the Whypalla Supersuite.

Tungsten mineralisation occurs exclusively as scheelite (calcium tungstate), the only economic mineral present within the deposit. Two distinct styles of mineralisation have been identified: east-west oriented quartz-scheelite vein swarms, ranging from 0.5cm to 1m in width and dipping steeply to the south; and disseminated scheelite within calc-silicate and albite-muscovite altered arenaceous host rocks. Mineralisation is hosted within an asymmetric anticline with a sub-vertically dipping east limb, with a strong lithological control observed — quartz veins are best developed in arenaceous units, while argillaceous units are generally barren or poorly mineralised. A prominent north-north-west (NNW) trending shear zone provides a structural control on the disseminated mineralisation, with the bounding Eastern Fault Structure interpreted as the primary conduit for tungsten-bearing hydrothermal fluids.

4.1 EXPLORATION HISTORY & DRILLING DATABASE

Systematic exploration at Watershed commenced in 1980 and has been conducted across multiple campaigns totalling 326 holes and approximately 58,233m of drilling. Utah Geology completed the initial program between 1980 and 1982, followed by Geopeko in 1985. Vital Metals then undertook a significant drilling campaign between 2005 and 2011, completing 250 diamond and RC holes over 44,662m. Diamond drilling accounts for 77% of all holes drilled, with RC drilling comprising a further 18%. Diamond drilling targeted east-west high-grade vein swarms to the north of the deposit, while RC drilling focused on three targeted areas of higher grade mineralisation at vertical 10 x 10m spacing.

4.2 MINERAL RESOURCE ESTIMATE

Tungsten Mining appointed H&S Consultants Pty Ltd in 2026 to update the Watershed Mineral Resource to reflect a revised cut-off grade. The updated MRE has been reported at a reduced cut-off grade of 0.04% WO_3, revised downward from 0.05% WO_3 to reflect the materially stronger global tungsten price environment. The Company believes the lower cut-off grade better represents the economic potential of the deposit under current market conditions.

At a 0.04% WO_3 cut-off grade, the total resource stands at 69.7 Mt at 0.11% WO_3, containing approximately 76,000 tonnes of WO_3. The Mineral Resource Estimate, which underpins the current economic evaluation, is summarised below in Table 4-1[9].

Table 4-1: Watershed Mineral Resource Estimate (2026)[10]

WO_3 % Cut-off	Measured		Indicated		Inferred		Combined		Contained WO_3 kTonnes
	Mt	WO_3 %	Mt	WO_3 %	Mt	WO_3 %	Mt	WO_3 %	
0.04	12.5	0.126	41.9	0.104	15.3	0.112	69.7	0.109	76.0

4.3 PLANNED RESOURCE DRILLING

There are several key high-grade zones where the existing resource model does not fully capture the potential continuity of mineralisation along strike and at depth. To address this, a two-phase infill drilling program is planned to commence in mid-2026.

Phase 1 RC drilling is scheduled to commence in July 2026, comprising 173 holes and 15,279m drilled on a north-south orientation over a four-month period. This program is designed to reduce drill spacing to a 20m by 20m pattern across areas of known high-grade mineralisation, improving geological continuity of high-grade zones along strike

[9] *Refer to Vitals Metals' ASX Announcement dated 14th July 2018, "Watershed Mineral Resources Restatement JORC Code 2012",*

[10] *Refer to Tungsten Mining ASX Announcement dated 18th June 2026, "Updated Watershed Mineral Resource Estimate"*

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and down dip. Phase 2 diamond drilling will also commence in July 2026, comprising 49 holes and 3,445m drilled over a five-week period, primarily for metallurgical and geotechnical purposes, with holes also logged and assayed for mineralisation. Results from both programs are anticipated in September/October 2026 and will be used to update the resource model and mine plan ahead of potential mining activities.



Figure 4-1: Planned RC Drilling at Watershed (Red) Infilling Historic Drill Spacing (Black). Current Wireframes Shown in Blue.

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Figure 4-2: Planned Diamond Drilling at Watershed (Pink), Current Drilling (Black). Current Wireframes Shown in Blue.

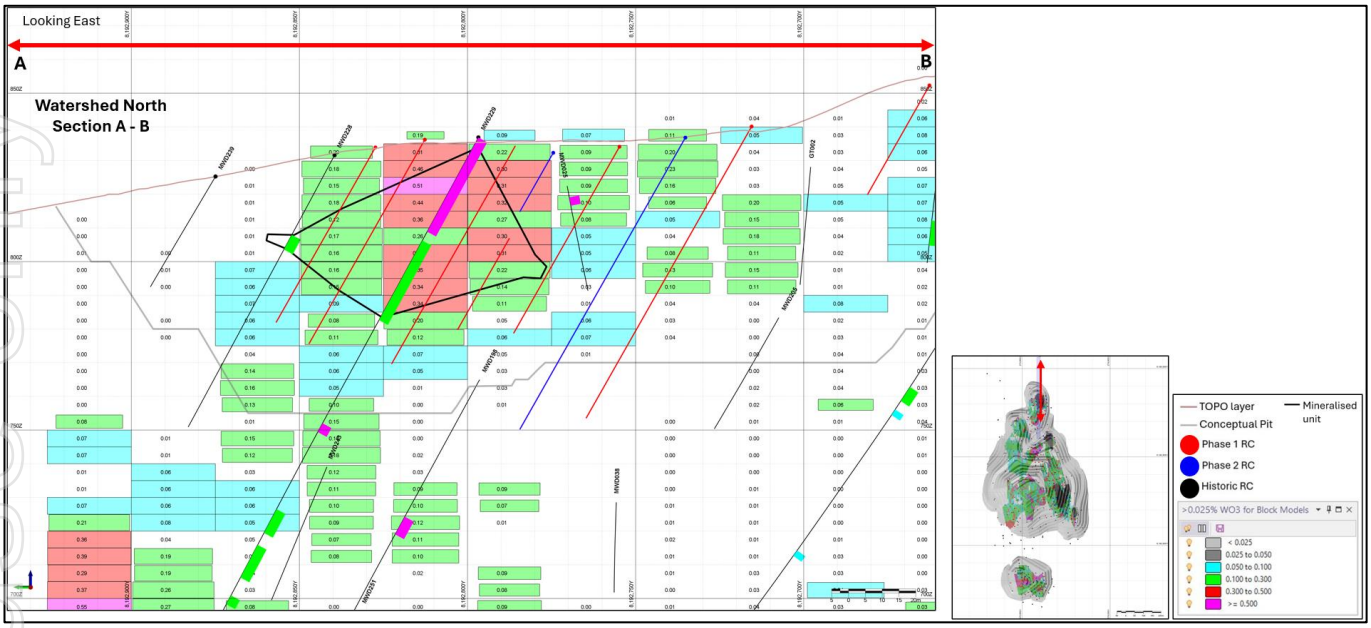


Figure 4-3: Long Section of Planned RC Drilling, Designed to Infill and Test the Strike Extents of Significant Mineralised Intersection to The North of Watershed

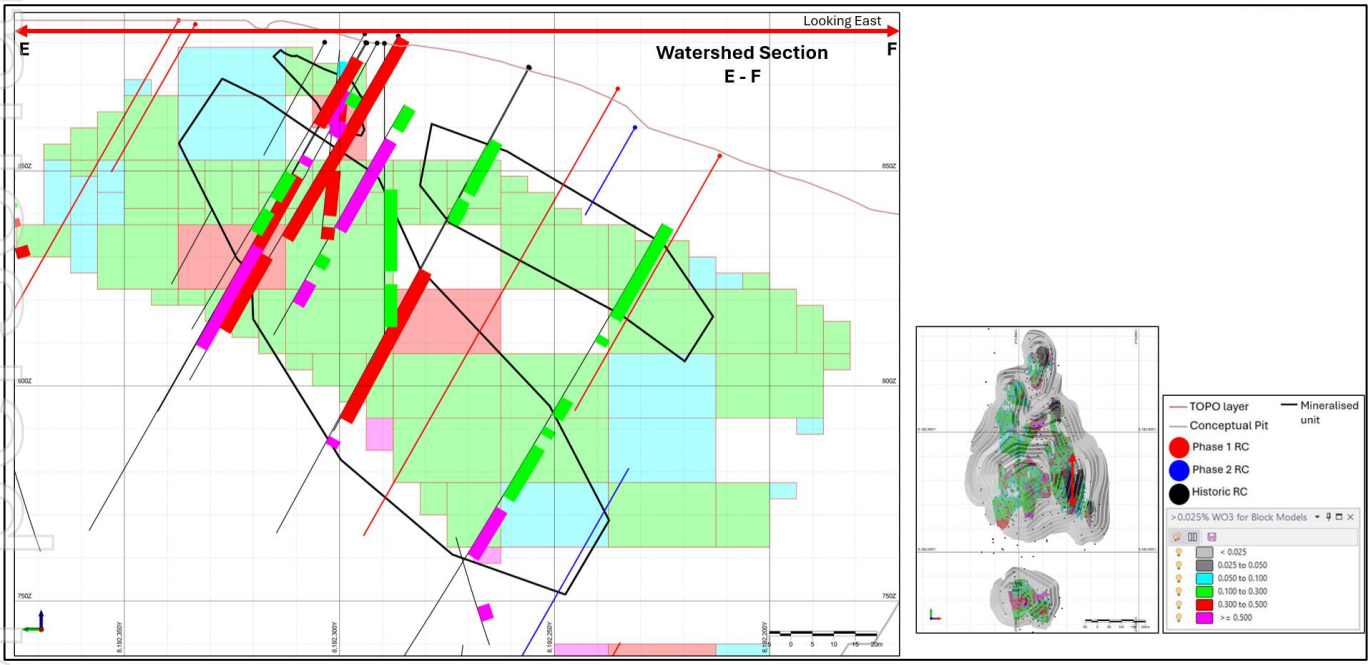


Figure 4-4: Long Section of Planned RC Drilling, Designed to Infill and Test Down-Dip Extents of Significant Mineralised Intersections to the South of Watershed

4.4 EXPLORATION POTENTIAL

Exploration outside the current conceptual pit demonstrates strong potential for continued mineralisation, with the resource model indicating the mineralisation remains open at depth and along strike in several areas. This supports a meaningful opportunity for future resource growth through additional drilling and evaluation beyond the current pit inventory.

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5 MINING

The mining study has been developed using a combination of prior work completed by Vital Metals and associated contractors, with input from Tungsten Mining.

5.1 MINING STRATEGY & APPROACH

The Watershed deposit will be developed as a conventional open pit mine using contractor mining, with a provision to transition to owner-operated mining later in the mine life. Mining is planned to commence in H1 2027 following completion of all site access and supporting infrastructure. The open pit extends approximately 1,500m along strike, 500m across strike, and to a depth of approximately 150m, situated in moderately rugged terrain averaging 820m above sea level.

The mining strategy involves an initial phase of ridge-cutting to establish benches on the eastern side, before transitioning to conventional drill, blast, load and haul operations. Tungsten ore occurs in a “poddy” nature and outcrops at various points along the ridge crest; these high-grade surface exposures will be targeted preferentially in early mining. The deposit will be mined in seven stages or cutbacks, sequenced to access the highest-grade ore at the lowest strip ratios first.

An ore cut-off grade of 0.04% WO_3 has been applied, with ore segregated into low-grade (0.04%–0.10% WO_3) and high-grade (>0.10% WO_3) streams for separate stockpiling and processing. Stage 6 and 7 are located in a separate southern pit and can be flexibly scheduled throughout the mine life to supplement grade and tonnage as required.

5.2 PIT DESIGN & GEOTECHNICAL PARAMETERS

Pit optimisations were originally completed by Orelogy which were used as the basis for the pit designs in the 2014 DFS. Revised optimisations were then completed internally, demonstrating strong conformity to the original pits. The optimisations and design were thus deemed suitable for use to support the mining study. The optimisations and design will be revised as resource definition improves with incoming assays from the upcoming RC and diamond drilling campaign. Optimisation parameters are shown below in Table 5-1.

Table 5-1: Pit Optimisation Assumptions

Parameter	Unit	Assumption
Mining Unit Cost - Ore	A$/t of ore mined	7
Mining Unit Cost - Waste	A$/t of waste mined	7
Processing Unit Cost	A$/t of ore processed	25
G&A Unit Cost	A$/t of ore processed	5
Concentrator Payability	% payable WO_3 in concentrate	0.8
APT Price	USD$ per mtu of WO_3	685
USD Exchange Rate	AUD/USD exchange rate	0.7
Ore Loss	%	5
Dilution	%	10
Dilution Grade	%WO_3	1.7
Overall Wall Angle	Degrees	48
Metallurgical Recovery	%	65

The pit design is underpinned by a geotechnical study conducted by Dempers & Seymour Geotechnical and Mining Consultants (D&S), utilising data from seven dedicated geotechnical drillholes supplemented by 131 exploration drillholes, totalling 24,255m of logged core. The rock mass at Watershed is predominantly Arenite (classified as Fair to Good, RMR 56–61 for fresh material), with a thin surface layer of oxidised and transitional material.

Pit slope design parameters vary by domain and material type, with interamp slope angles ranging from 47° to 55° for the majority of the pit. Batter heights of 20m with 6m berms have been adopted for fresh material, with shallower configurations applied in the weathered and transitional zones. An overall wall angle of 48° was used for pit optimisation purposes. Additional geotechnical work focused on Stage 1 and 2 is currently underway through

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MineGeoTech Consultants, which will provide updated design parameters for the initial mining phases and increase execution-level confidence.

Groundwater inflows to the pit are expected to be manageable. The average hydraulic conductivity of the subsurface is low at 5.29 x 10^{-6} m/d, and maximum initial inflow is estimated at approximately 4.5 l/s, declining progressively as mining advances and the water table is drawn down. Dewatering will be managed through in-pit sump pumping, with all water recycled to mining and processing operations.

5.3 Mine Schedule & Production Profile

The life-of-mine schedule encompasses a total of 38.8 Mt of ore at an average grade of 0.111% WO_3, against 51.9 Mt of waste, yielding an overall strip ratio of 1.3. The pit stages are summarised below (Figure 5-1and Figure 5-2):

- Stage 1 to 3 deliver higher-grade ore (0.117%–0.132% WO_3) at low strip ratios of 0.9–1.2, providing strong early project economics.
- Stage 5, the largest stage at 13.9 Mt of ore, is mined at a strip ratio of 1.5 and an average grade of 0.107% WO_3.
- Stage 6 and 7 (southern pit) contribute a combined 2.8 Mt at grades of 0.096%–0.108% WO_3, with scheduling flexibility to supplement output as required.

The mine schedule targets approximately 3 Mtpa of ROM crusher feed across the operating life, with the time usage model accounting for reduced equipment utilisation during the North Queensland wet season (November through March inclusive).

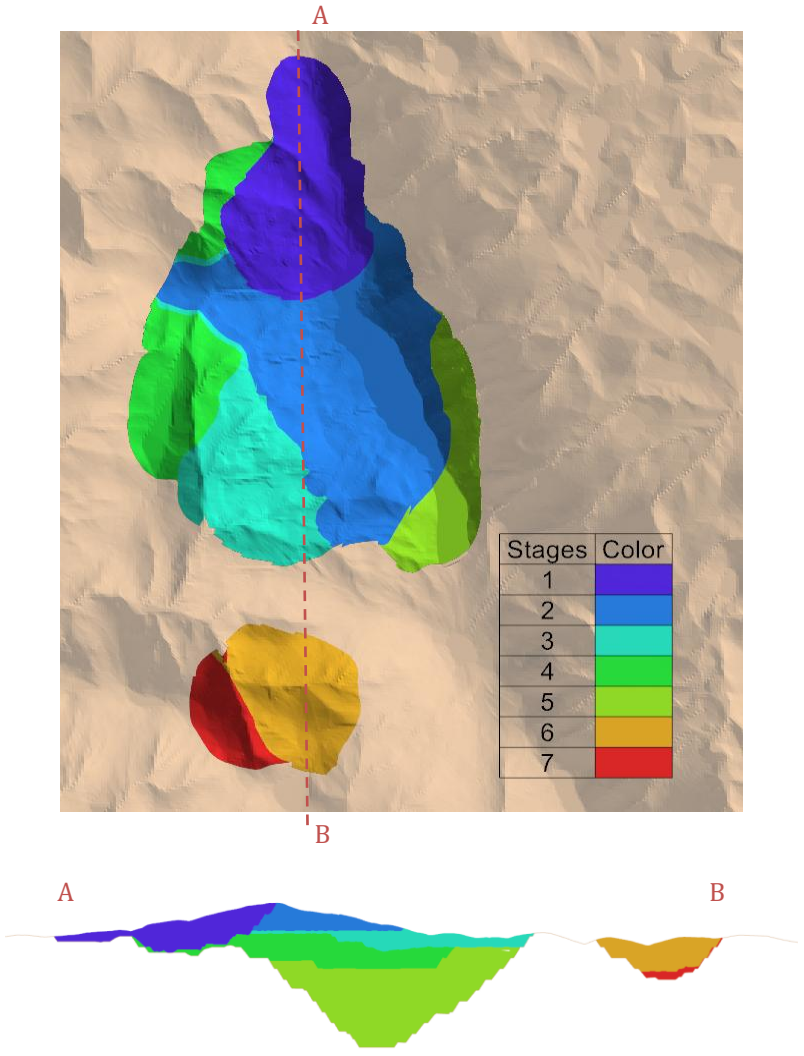


Figure 5-1: Mining Stages, Plan and Section View

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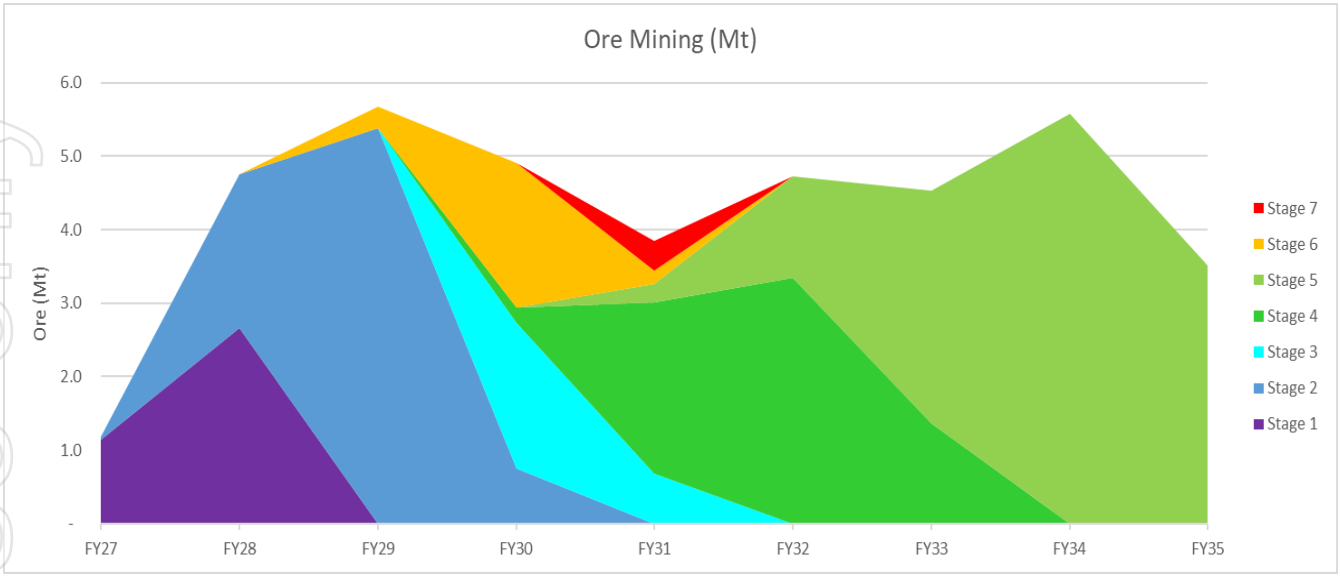


Figure 5-2: Ore Mining per Stage

Mine production is summarised in Figure 5-3, producing a LoM average of 2.04 Mt at 0.16% high grade material and 2.28 Mt at 0.07% low grade material per annum.

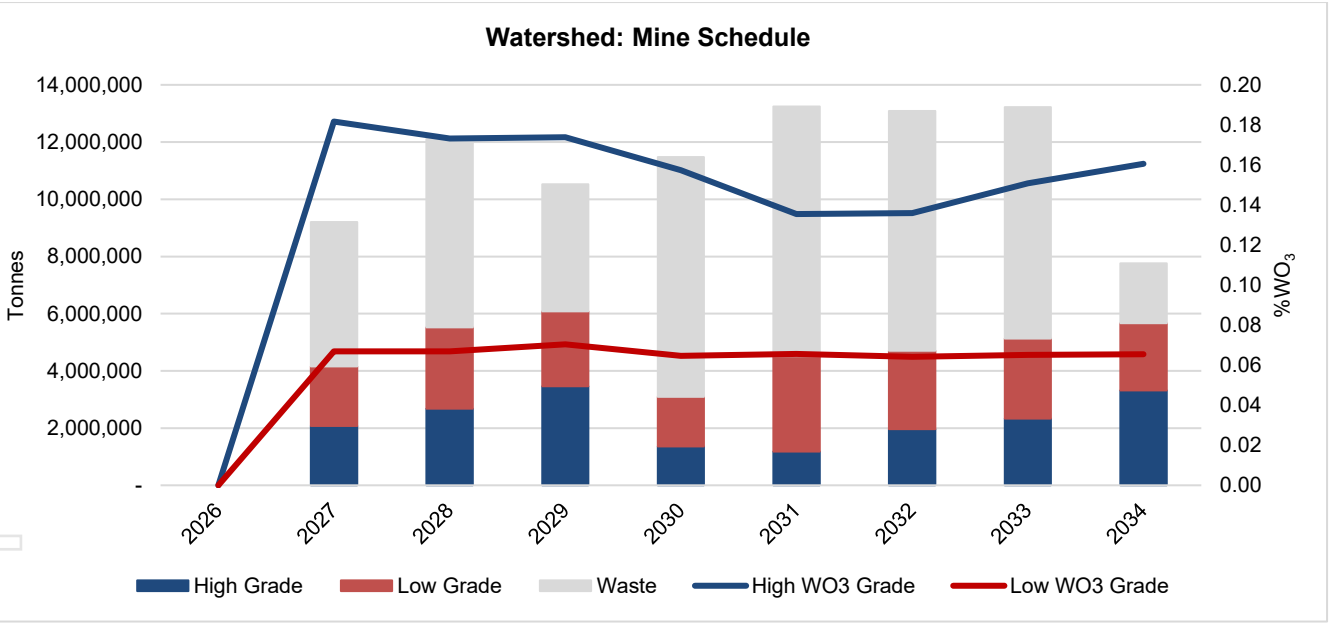


Figure 5-3: Annual Mine Production

5.4 Mining Fleet & Equipment

Production rates have been calculated from first principles using a Time Usage Model (TUM). The primary mining fleet comprises one 200-tonne class excavator and one 120-tonne class excavator, paired with nine 91-tonne payload rear dump trucks. A second 120-tonne excavator will be added in financial year (FY) 2031 as the strip ratio increases; the 120-tonne unit is specifically configured for ore mining to improve selective mining and minimise ore loss and dilution.

Truck productivity ranges from 312 to 489 t/h depending on excavator configuration and material type, based on average haul distances of 1.4km for ore and 2.0km for waste. Trucks are also utilised for ROM rehandling and waste dump logistics. Drilling and blasting will be carried out by specialist subcontractors, with ancillary equipment including dozers, grader, water cart, and full site services. Mining operations will be manned on an even-time 7/7 roster across two 12-hour shifts.

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5.5 Waste Management

Initial waste rock excavated during site establishment will be beneficially reused for construction of permanent haul roads and the ROM pad. Ongoing waste rock will be progressively placed across two waste rock dumps: the eastern dump, which will be developed first, and the western dump, which will commence in calendar year 2032. Filter cake tailings from the processing plant will be placed in dedicated cells within the waste rock dump footprint.

Additional waste material classification work is ongoing. Previous studies have identified the potential presence of potentially acid-forming (PAF) material; if confirmed, waste rock dumps will be progressively clad with non-acid-forming (NAF) material at intervals timed ahead of the wet season. An allowance for cladding has been included in the mining operating cost. Ore sorter rejects may also serve as suitable cladding material.

5.6 Mining Capital & Operating Costs

Mining capital expenditure has been kept to a minimum and totals A$9.25 million. This covers completion of mining studies, contractor mobilisation, site establishment, and early mining up to the end of March 2027. Pioneering haul road construction for pit access is included within the civil site establishment capital. The commencement of mining operations has been deliberately deferred as late as possible to reduce initial capital and operating spend.

Mining operating costs have been estimated at A$17.66 per tonne of ROM feed processed, equivalent to A$7.71 per tonne of total material movement. Costs are based on contractor quotations received through the Early Contractor Involvement (ECI) process and include all fixed and variable mining and maintenance activities, consumables (excluding diesel), and an allowance for waste dump cladding. Diesel costs are separately estimated based on equipment-specific burn rates at A$2.09 per litre (inclusive of rebate).

5.7 Key Risks & Opportunities

The principal mining risks identified are the resource complexity given the “poddy” nature of the tungsten mineralisation; challenging initial mining terrain requiring ridge-cutting operations with smaller equipment; potential PAF waste material requiring cladding management; and the scheduling of civil construction and early mining activities during the North Queensland wet season. Mitigation strategies will be planned for each of these risks.

Key upside opportunities include: significant resource growth potential once the planned 2026 RC and diamond drilling programs are completed and interpreted (results expected September/October 2026); potential cost optimisation through the competitive mining contractor tender process; early mining opportunities while civil construction is underway; and potential reduction in mining labour costs if a 14 days on / 7 days off roster proves operationally viable. Steeper pit wall batter angles may also be achievable based on the updated Stage 1 and 2 geotechnical analysis, which would positively impact strip ratios and economics.

5.8 Forward Work

Several areas requiring further work have been identified including:

An updated geotechnical analysis is planned for Stage 1 and 2 of the pit, with MineGeoTech Consultants currently engaged to review existing core and complete kinematic structural analysis, with the objective of providing slope design confidence for the initial mining phases.

A detailed waste dump design will be developed to define the dumping and cladding strategy in compliance with the Environmental Authority and Management Plan, including sequencing of NAF cladding ahead of each wet season where PAF material is present.

The mine plan and schedule will be updated upon receipt of assay results from the planned RC and diamond drilling programs, anticipated in September/October 2026, which aims to improve resource and geological definition.

In parallel, a mining contractor shortlisting and formal tender process will be conducted to competitively price the contract mining scope and optimise operating costs ahead of the Final Investment Decision targeted for September 2026.

6 METALLURGY

Extensive metallurgical testwork has been performed on the Watershed Project which confirmed the viability of recovering a scheelite concentrate using an ore sort, gravity and flotation based processing route. TGN is currently in the process of conducting additional testwork validating key findings from historical testwork as well as confirming current process selection and assumptions.

6.1 HISTORICAL TESTWORK

Significant historical work has been undertaken on the Watershed project by the varying project stakeholders, namely:

- 1981 – 1985: Utah and Geopeko
- 2005 – 2018: Vital Metals

This work allowed Vital Metals to complete a DFS in 2014 on the project. The historical testwork, which focused on mineralogy assessment and identification of tungsten recovery pathways, provides a sound and firm basis for the updated design. The previous testwork demonstrated the viability of the flowsheet premise;

- Ore sorting pre-concentration
- Milling of ore sort accepts and crushing fines
- Primary Milling
- Coarse gravity beneficiation
- Regrind and;
- Flotation to produce a saleable scheelite concentrate

6.2 PLANNED & ON-GOING TESTWORK

Current testwork is undertaken using 123 samples from 51 historic diamond drill holes, spread across the Watershed resource and were composited to form:

- One (1) Master Composite, representative of the expected Life of Mine ore (508kg);
- Three (3) Mine Pit Stage Composites (160-290kg) representative of material contained within mining pits from Stage 1, Stage 2 and Stage 3 operations and;
- Thirty-two (32) variability samples (50-100kg);

The historical diamond holes which these samples have been sourced from are shown in Figure 6-1 below, together with the resource block model. These composites are currently being processed through a testwork program, representative of the flowsheet, with initial ore sorting and gravity concentration results encouraging and further validating design parameters and recoveries.

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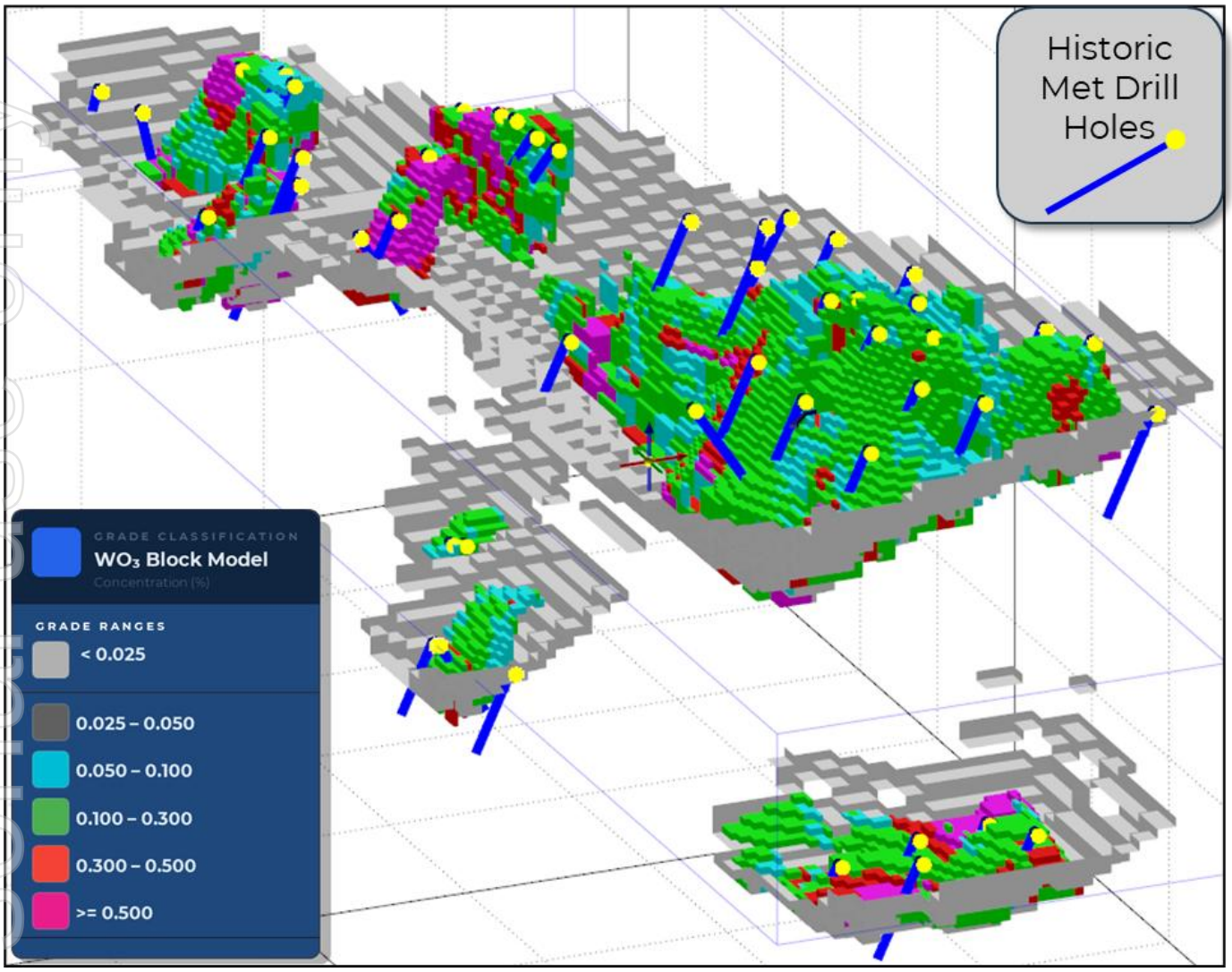


Figure 6-1: Schematic Showing Drill Hole Locations

6.2.1 Ore Sorting Testwork

The ore sorter feed sample (-40+10mm) from the composite samples (4) and the variability samples (32) were tested at Tomra using X-ray transmission (XRT) sorting. Composites were tested by a number of 'passes' of the ore sorter; initial higher grade accepts were generated albeit with lower recovery and the rejects were subsequently re-passed at a number of different accepts criteria to generate up to five accepts fractions and one final reject. Excellent results (Figure 6-2 and Figure 6-3) were achieved on all composite samples and variability samples, supporting the grade and recovery assumptions used in the study.

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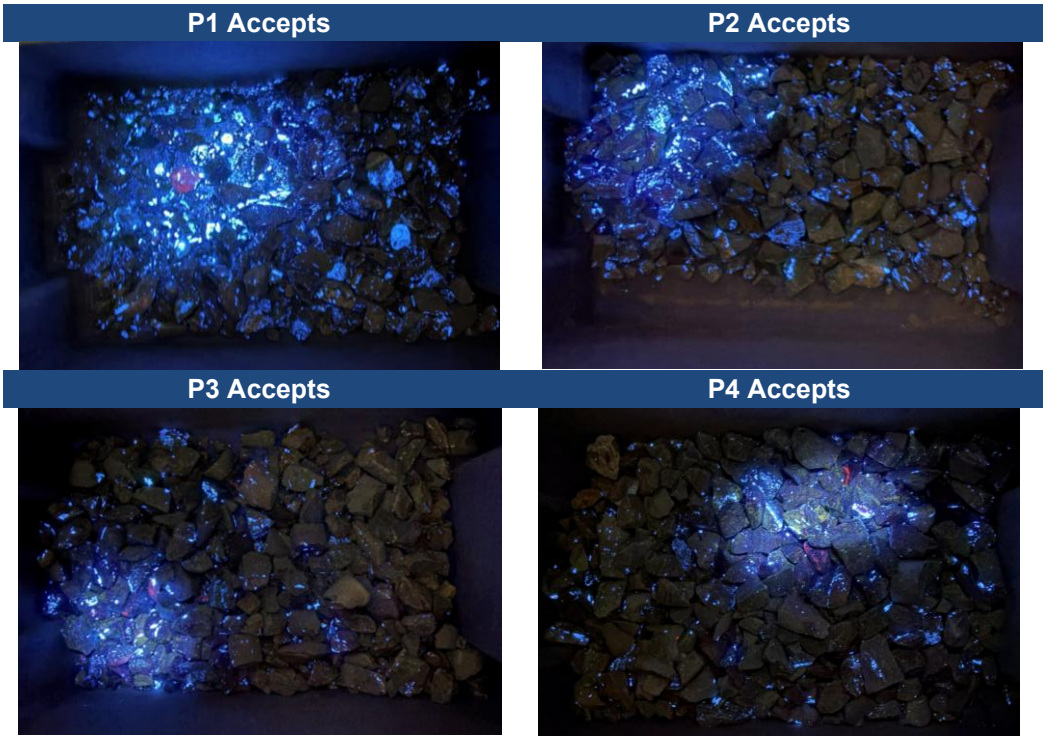


Figure 6-2: Ore Sort Accepts under UV Light

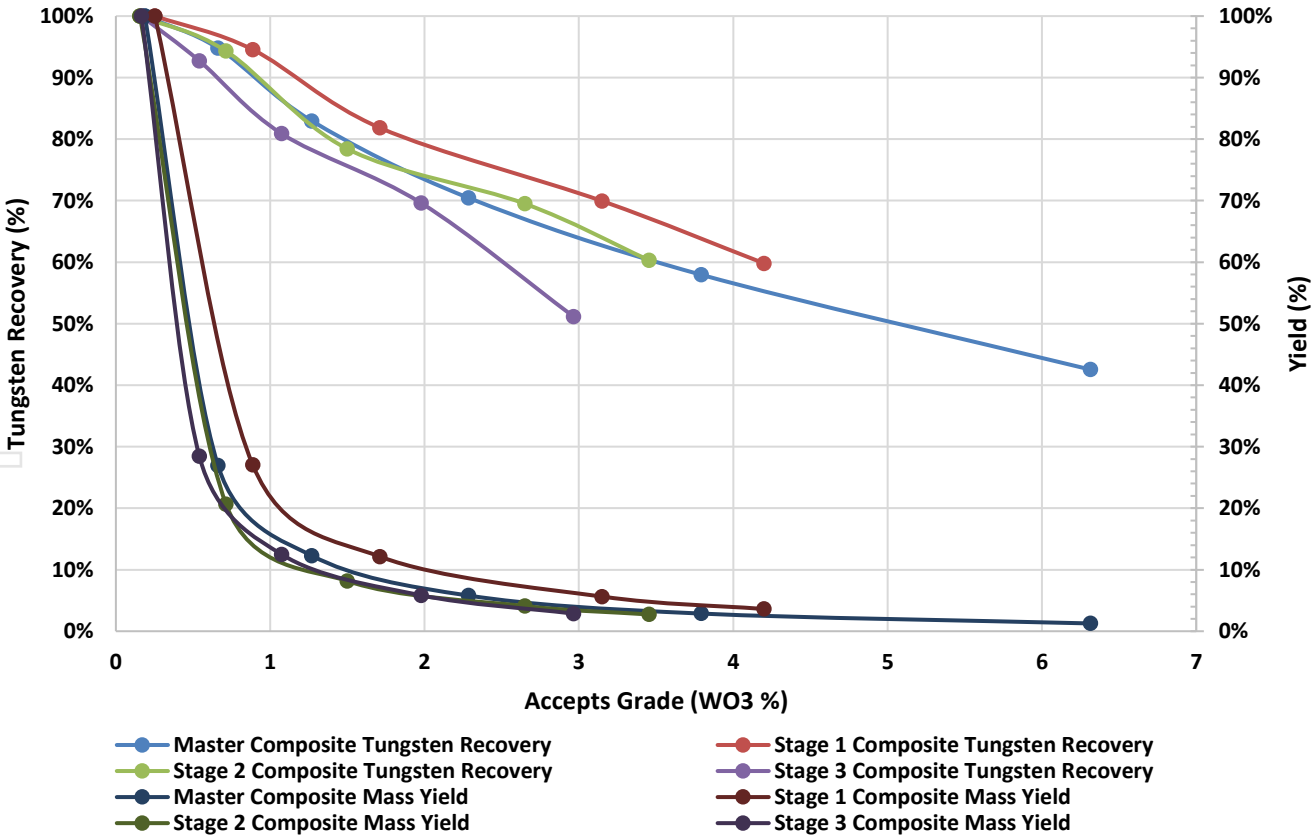


Figure 6-3: Ore Sort Grade-Recovery-Yield Curves

6.2.2 Gravity Testwork

Gravity testwork using Stage 1, Stage 2 and Stage 3 pit composite samples was completed at different grind sizes (P_{100} 850µm, P_{100} 500µm, P_{100} 250µm and P_{100} 150µm) assessing the suitability for the selected grind sizes for the

gravity concentration circuits. The testwork was performed using milled samples that were deslimed by wet screening at 38µm and then subject to wet tabling (Figure 6-4). A summary of the results is presented in Table 6-1.As indicated, promising results were obtained across all size fractions tested, supporting the process assumptions utilised in the gravity circuits.

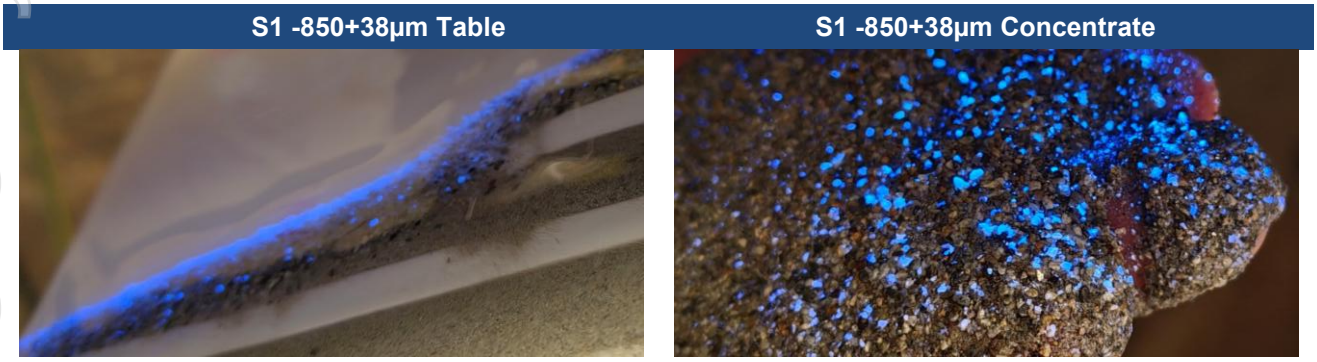


Figure 6-4: Wet Table Scheelite Band and Concentrate – Stage 1, -850µm

Table 6-1: Wet Table Results Summary

Grind Size	Products	Stage 1 Comp			Stage 2 Comp			Stage 3 Comp		
		Mass (%)	WO_3 (%)	WO_3 Rec. (%)	Mass (%)	WO_3 (%)	WO_3 Rec. (%)	Mass (%)	WO_3 (%)	WO_3 Rec. (%)
-850+38µm	**Conc.**	**9.0%**	**3.555**	**89.1%**	**10.7%**	**1.070**	**82.5%**	**12.3%**	**1.052**	**82.6%**
	Tail	91.0%	0.043	10.9%	89.3%	0.027	17.5%	87.7%	0.031	17.4%
	Feed	100%	0.357	100%	100%	0.139	100%	100%	0.157	100%
-500+38µm	**Conc.**	**7.63%**	**3.919**	**91.6%**	**9.34%**	**1.188**	**86.5%**	**10.44%**	**1.208**	**85.9%**
	Tail	92.4%	0.030	8.4%	90.7%	0.019	13.5%	89.6%	0.023	14.1%
	Feed	100%	0.326	100%	100%	0.128	100%	100%	0.147	100%
-250+38µm	**Conc.**	**8.2%**	**3.219**	**93.3%**	**8.5%**	**1.497**	**92.8%**	**6.9%**	**1.746**	**88.8%**
	Tail	91.8%	0.021	6.7%	91.5%	0.011	7%	93.1%	0.016	11%
	Feed	100%	0.282	100%	100%	0.137	100%	100%	0.136	100%
-150+38µm	**Conc.**	**7.0%**	**3.432**	**93.3%**	**8.4%**	**1.352**	**89.5%**	**5.7%**	**2.114**	**91.1%**
	Tail	93.0%	0.018	6.7%	91.6%	0.015	10.5%	94.3%	0.012	8.9%
	Feed	100%	0.256	100%	100%	0.128	100%	100%	0.132	100%

6.2.3 Flotation Testwork

First pass preliminary flotation work has confirmed the amenability of the scheelite to be concentrated by froth flotation post gravity concentration and the necessitation for pre-flotation to remove gangue minerals. The -250+38µm gravity concentrate was milled to P_{100} 90µm and then combined with an appropriate mass proportion with the -38µm fines and then subject to flotation, with summary results shown in Table 6-2. This is a preliminary result with significant opportunity for optimisation to meet historically demonstrated results of +90% tungsten recovery and achieve target product grade of greater than 50% WO_3.

Table 6-2: Preliminary Flotation Result

Grind Size	Products	Stage 1 Gravity Concentrate and Fines Comp		
		Mass (%)	WO_3 (%)	WO_3 Rec. (%)
P_{100} 90µm	**Scheelite Re-Cleaner Concentrate**	**2.56%**	**27.398**	**84.3%**
	Tails	97.44%	0.134	15.72%
	Head	100%	0.854	100%

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6.2.4 Ongoing Testwork

Following positive outcomes from the ore sorting and wet table testwork, additional testwork is currently underway to further validate the full process flowsheet proposed for the Watershed Project. The testwork will mainly include the following:

- Master and Stage 1 / 2 / 3 Composites:
  - Milling and gravity concentration on ore sorting accepts and crushed fines;
  - Regrind and gravity concentrate cleaning;
  - Rougher, Cleaner and Re-Cleaner scheelite flotation;
  - Production of product samples for offtake discussions
- Variability Samples
  - Validation of flowsheet on specific samples of ore;
  - Investigation of variation in ore response to the process flowsheet

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7 PROCESS DESIGN

The proposed Process Plant for the Watershed Project is designed to support a nominal 3 Mtpa Run-of-Mine (ROM) throughput to produce an average of approximately 2,090 tpa of concentrate. The processing flowsheet (Figure 7-1) consists of mobile crushing and screening, ore sorting, modularised milling, gravity concentration and flotation circuits, with tailings being dry stacked. Mobile crushing has been selected as it is a cost effective, valid option to achieve speed to market.

The ROM material will firstly go through a two-stage mobile crushing and screening circuit to produce a -40+10mm fraction and a -10mm fraction. The -40+10mm material is transferred to the ore sorting circuit to allow pre-concentration of the scheelite ore as ore sort accepts, which will be subsequently crushed in a mobile tertiary crusher before feeding the primary milling circuit. The ore sort rejects are stockpiled before being disposed of together with mine waste.

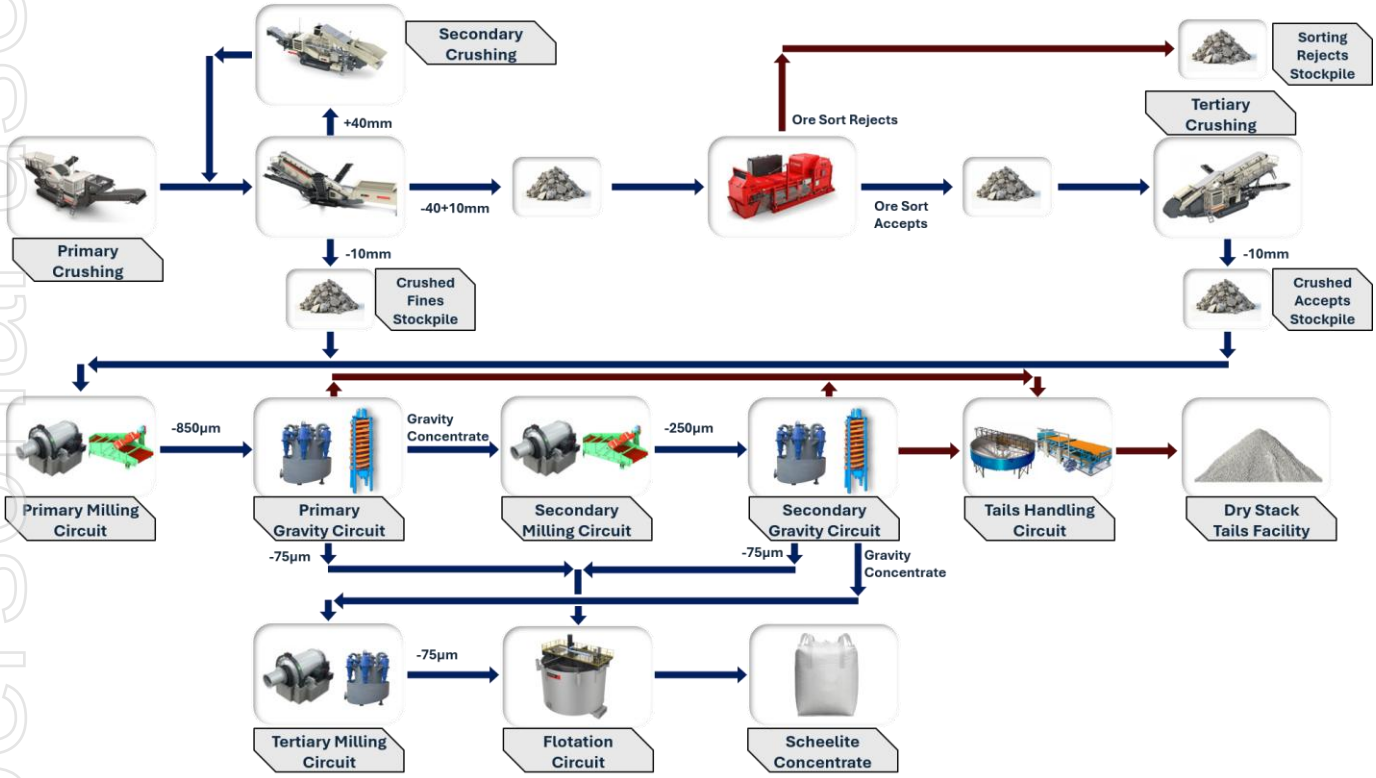


Figure 7-1: Simplified Process Flowsheet

The crushed ore sort accepts and -10mm fines material are both sent to the primary milling circuit, where ore is ground to P_{100} 850µm in a ball mill. The mill discharge reports to the primary gravity concentration where a cyclone removes the -75µm material. The cyclone underflow (-850+75µm) then reports to the primary spirals for concentration.

The secondary milling circuit will grind the primary gravity concentrate to -250µm. The secondary gravity circuit again removes the -75µm material by cyclone with the -250+75µm material processed by the secondary spirals circuit consisting of rougher, scavenger and cleaner stages.

The secondary milling circuit has a dedicated feed conveyor suitable for feeding high grade, crushed ore sort accepts to the secondary mill. During this operation the gravity concentrate produced from this will have the ability to be sent to the scheelite product handling circuit.

The secondary gravity concentrate will be milled in the tertiary milling circuit to -75µm to allow further liberation of the scheelite from the gangue minerals in preparation for flotation.

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The ground gravity concentrate together with the primary and secondary cyclone overflows, feed a float feed thickener and then flotation circuit. The flotation circuit consists of sulfide flotation, ambient scheelite flotation and heated scheelite cleaner and recleaner flotation, where the final scheelite product will be produced.

The final scheelite concentrate product will be dewatered, dried and packaged in bulk bags for transport.

The gravity and the flotation tails all report to the tails thickener to recover process water for recycling back to the process plant. The thickener underflow will then be filtered by a belt filter with the filter cake conveyed to the tails stockpile prior to being transferred to the dry stack storage facility.

7.1 Process Design Criteria

A summary of the key process design criteria utilised in this study is presented in Table 7-1.

Table 7-1: Key Process Design Criteria

Parameter	Value	Unit
Operating Specifics		
Annual Throughput		
Crushing Plant	3	Mtpa
Beneficiation Plant	~1.1	Mtpa
Plant Operating Life (Current Mine Plan)		
Crushing Plant	14	yrs
Beneficiation Plant	15	yrs
ROM WO_3 Grade	0.111%	%
Crushing Plant		
Operating Hours per Year	4,000	hrs
ROM Ore, F_{85}	600	mm
Product Size	10	mm
Beneficiation Plant		
Operating Hours per Year	7,500	hrs
LOM WO_3 Recovery	72.5	%
Product Specifics		
Scheelite Concentrate		
LOM Production	62,705	tonnes
Annual Production - LOM Average	2,090	tpa WO_3
WO_3 Grade	50	%

7.2 Plant Layout

A preliminary layout of the process plant is shown in Figure 7-2. The proposed Watershed Process Plant layout reflects a practical arrangement of crushing, beneficiation, reagent handling, concentrate production and supporting infrastructure within a compact and operationally efficient footprint.

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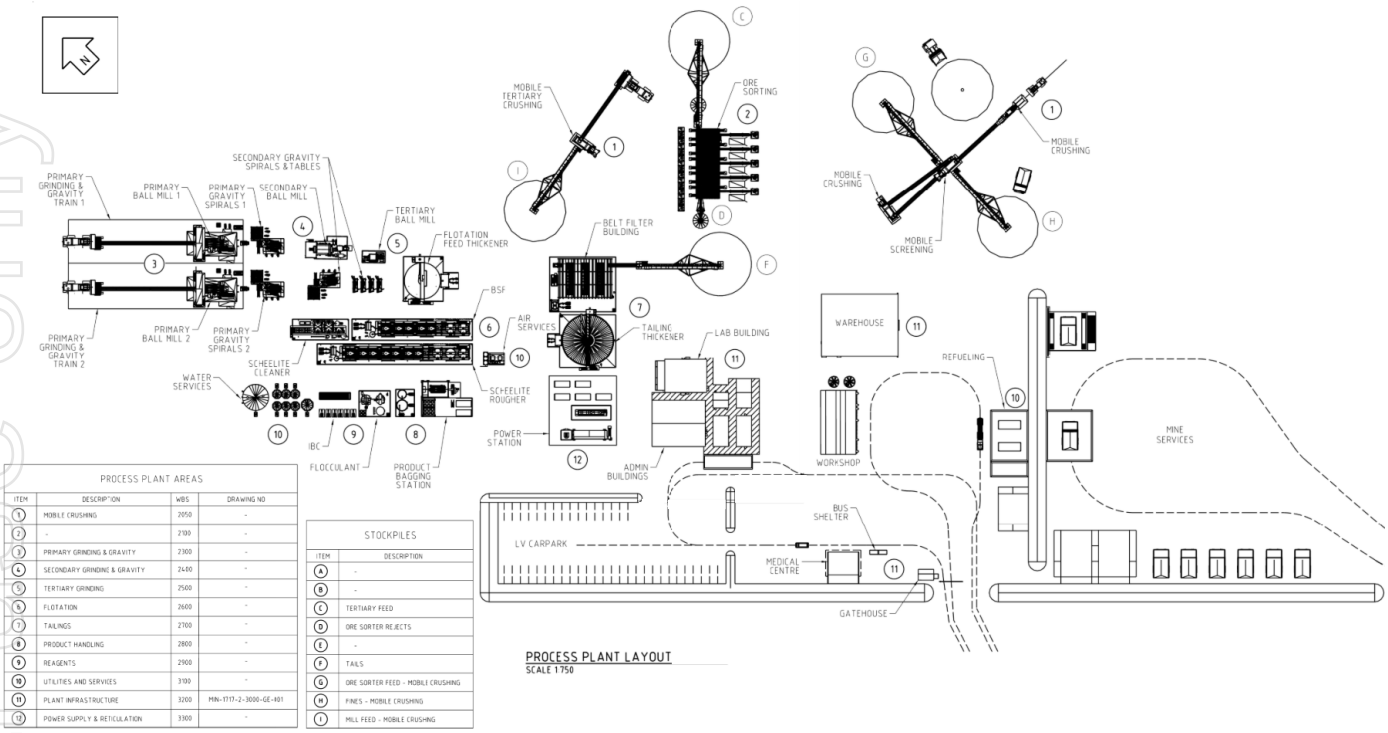


Figure 7-2: Site Layout – Watershed - Process Plant

The layout incorporates the crushing and sorting area to the east to which will allow adequate space for material re-handling between the sorting product stockpiles (accepts, rejects), fines and wet plant tailings and the wet beneficiation plant and waste rock dumps. The current crushing and sorting configuration is mobile with modular construction of the fixed elements. This can be relocated to allow for future expansion should fixed crushing be introduced in the future. Layout will be subject to change in subsequent study phases.

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8 TAILINGS & WASTE DISPOSAL

Two Waste Rock Dumps (WRDs) have been designed for the operation, located to the east and west of the pit. Dump designs, locations and sequencing were originally optimised by Orelogy minimising haulage costs. The designs have subsequently been revised by TGN's mining team to consider updated geotechnical information.

The initial waste rock mined will be used to construct permanent haul roads as well as the larger plant and ROM pad, whilst waste generated thereafter will be directed to the Eastern WRD in early mining years before transitioning to the Western WRD from 2032 onwards.

The WRDs are licensed for co-disposal of both mining waste and processing tailings, accommodating approximately 11.3 Mt of material per annum, totalling around 91 Mt over the eight-year mine life. Key waste streams will include mine waste, ore sort rejects, gravity and flotation tailings.

The Eastern WRD provides a capacity of 16.2 Mm^3 and the Western WRD 12.9 Mm^3 whilst the operation is expected to produce 33.1 Mm^3 of mine waste rock and tailings / rejects. Up to 5.3 Mm^3 will be used for infrastructure and backfilling pits, whilst the remainder is diverted to the waste rock dumps. Dump designs will adopt a 17° overall slope angle with 8-metre benches and 4-metre berms.

Environmentally, the WRDs have been designed to manage PAF material through NAF capping, drainage controls, and seasonal PAF coverage using NAF material (e.g. ore sorter reject) with specific cells design to encapsulate problematic material. This is the subject of ongoing material characterisation which may refine the future material management strategy. All surface runoff is intended to be captured in environmental dams for reuse in mining and processing operations.

Progressive physicals at each stage are shown in Table 8-1.

Table 8-1: Pit Stages Physicals

Stage	Ore (Mt)	Waste (Mt)	Strip Ratio (t:t)	WO_3 (%)
1	3.8	3.3	0.9	0.132
2	8.3	10.2	1.2	0.128
3	2.7	3.3	1.2	0.117
4	7.3	11.2	1.5	0.089
5	13.9	21.0	1.5	0.107
6	2.4	1.0	0.4	0.108
7	0.4	1.9	4.6	0.096
Total	**38.8**	**51.9**	**1.3**	**0.111**

Figure 8-1 below demonstrates progression of the mined pits and waste rock dumps at selected intervals through the mine life.

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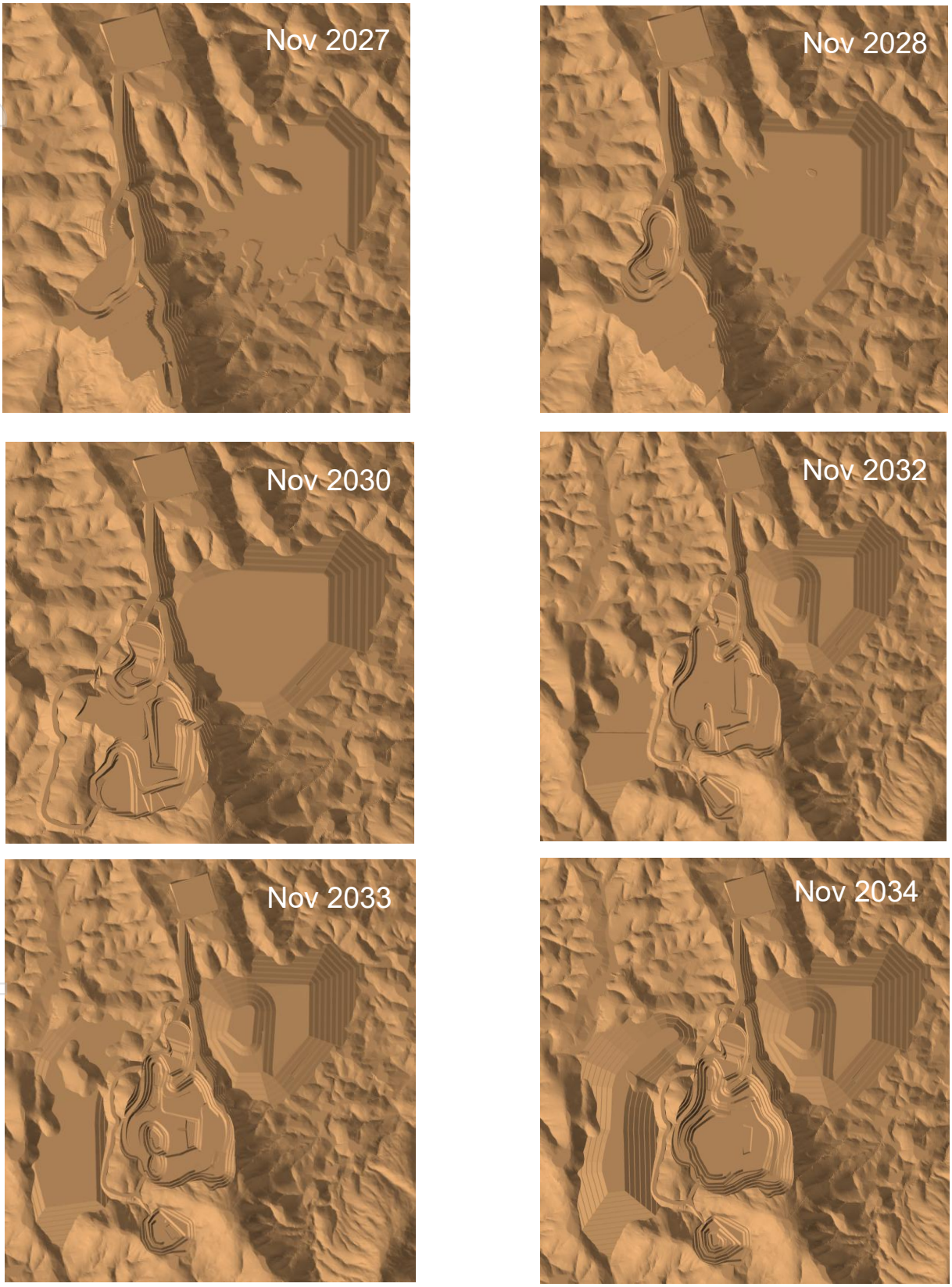


Figure 8-1: Mining Progression of Pits and Waste Rock Dumps

9 CIVILS & NON-PROCESS INFRASTRUCTURE

The civil works and non-process infrastructure (NPI) scope required to establish site includes site access roads, dam infrastructure, bulk earthworks, power supply, accommodation, water management, NPI buildings, and communications.

9.1 CIVIL WORKS

The civil scope includes earthworks, drainage, and road construction required to establish the site prior to plant installation. The philosophy prioritises a minimal environmental footprint using locally sourced materials and cut-to-fill balance wherever possible.

The primary site access road runs approximately 24km from the Mulligan Highway to the process plant area. It is currently designed as an unsealed, balanced cut-to-fill alignment with a maximum grade of 10%. Minor crossings will utilise corrugated steel pipe culverts, supported by table drains and cut-off drains to manage runoff, reduce erosion, and protect pavement integrity. Three creek crossings at Desailly Creek will be constructed as rock-armoured floodways to a 10% AEP serviceability standard. Drill and blast will be required in sections of significant cut.

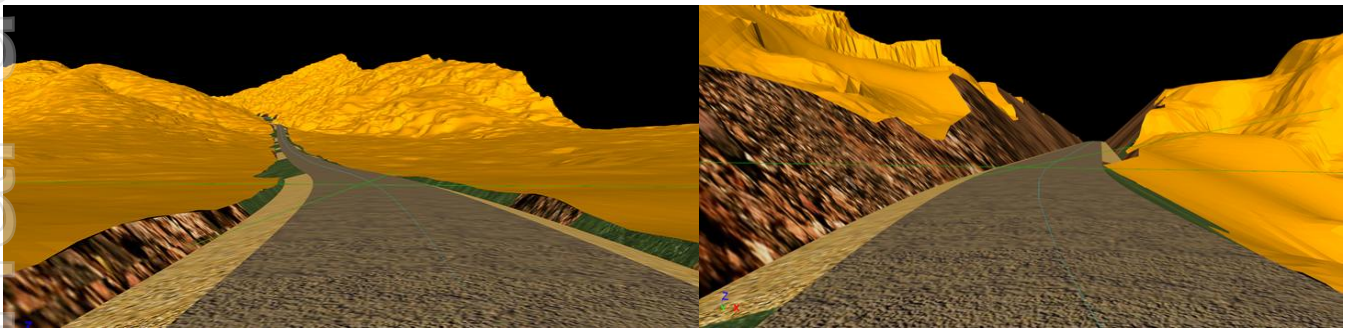


Figure 9-1: Proposed Access Road Design

Internal roads will connect the village, process plant, operations centre, dams, and other NPI facilities, designed to suit operational requirements.

Bulk earthworks for the process plant, village, and other NPI areas are based on achieving cut-to-fill balance. Drill and blast will be required in cut areas, generating rock suitable for use as transition layers within deeper fills. Facility locations are generally situated along ridgelines or elevated ground to minimise earthworks and provide inherent flood resilience.

Six dams are proposed (Figure 13-1), comprising a Runoff Dam, Freshwater Dam, and four Environmental Dams, all integrated into the site-wide water balance. The Environmental Dams, located downstream of waste rock dumps, are designed to capture potentially sensitive runoff. All dams include overflow provisions and have undergone consequence category assessments. Embankments will be constructed using site-won general fill and clay, with heights determined by water storage requirements and runoff containment criteria.

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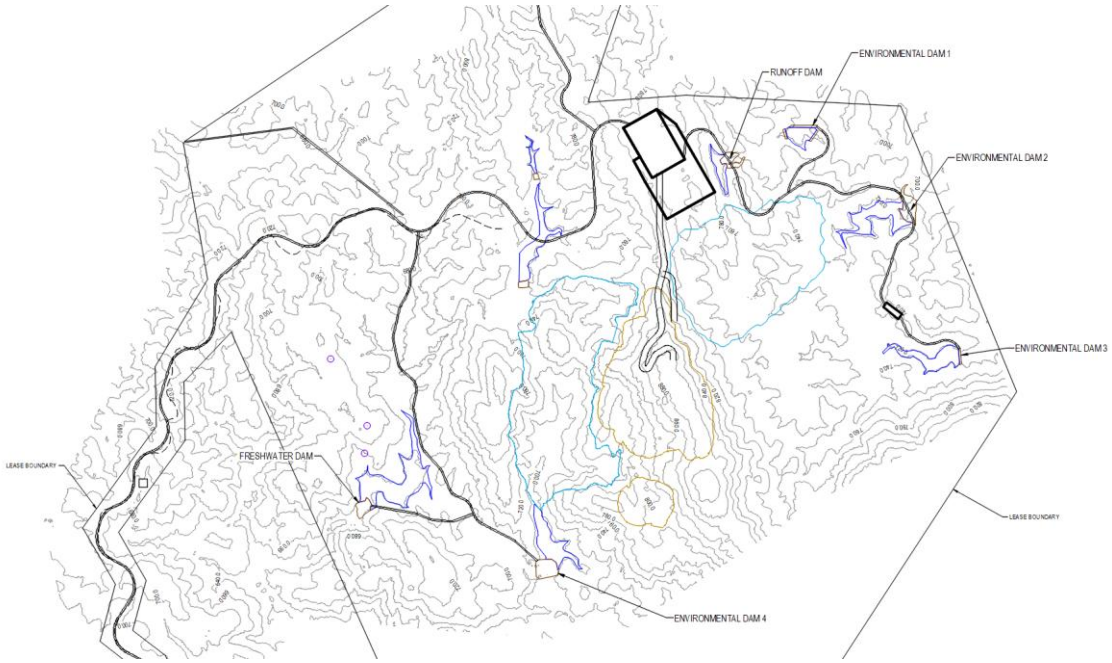


Figure 9-2: Proposed Dam Locations

Civil construction is scheduled from June to December 2026, with completion of the access road as the critical milestone ahead of the wet season. Early works will support site establishment, including construction water supply, temporary accommodation, and laydown areas prior to delivering the access road, process plant pad, village pad, and key dams. An Early Contractor Involvement (ECI) process was run with Tier 1.5 to Tier 3 contractors from Queensland and Western Australia, with Colliers engaged as the specialist civil engineering consultant.

Key construction materials are likely to include culverts and high-density polyethylene (HDPE) pipe which will be procured by the project and supplied to the contractor. Fuel and construction water will also be provided. Initial roadbase supply will be sourced from the Mt Carbine Quarry, with transition to site-won materials following commencement of drill and blast operations.

9.2 POWER

The site will be powered by a dedicated low-voltage (LV) diesel-fired power station with an anticipated installed generation capacity of approximately 8–10 MW. The proposed power station configuration is based entirely on LV generation and distribution infrastructure, including LV diesel generator units, LV switchboards and associated site-wide reticulation systems.

The configuration will support a practical, maintainable solution that minimises electrical complexity for a remote greenfield operation. The design incorporates redundancy, load sharing, and provisions for future capacity expansion Allowances will be incorporated into the power station layout, switchboard configuration and overall site arrangement to facilitate potential future expansion of generation capacity and supporting electrical infrastructure if required.

9.3 ACCOMMODATION

A two-phase camp strategy is planned. An initial 80-person construction camp will be established for early works (targeted for first occupancy July 2026), expanding to approximately 120 beds post-FID to support peak construction. A separate permanent operations village for approximately 200 personnel will provide full accommodation, kitchen and dining, recreation, medical, and utilities infrastructure. Upon completion of construction, 50 rooms from the construction camp will be transferred to the permanent village, bringing its final capacity to 250 rooms. Both camps have the option to be financed over 36 months to materially reduce the upfront capital requirement.

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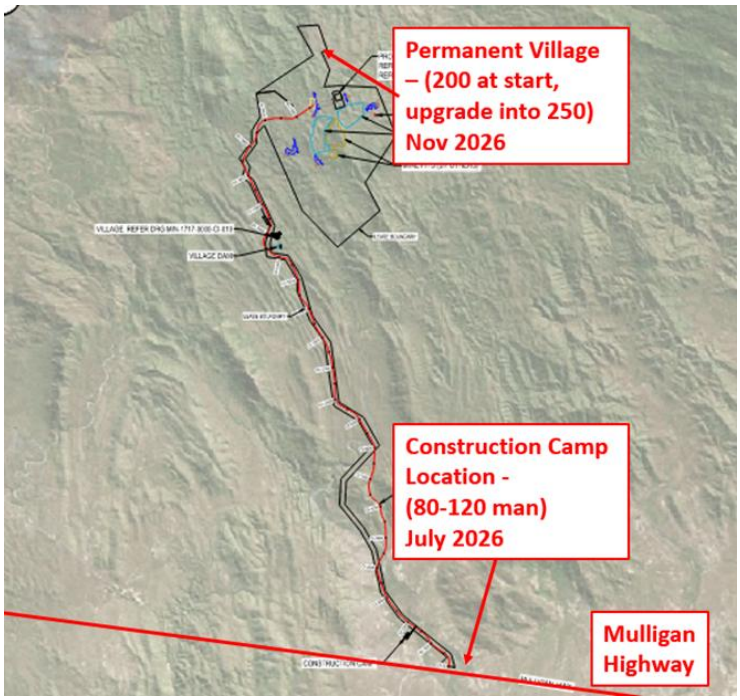


Figure 9-3: Proposed Camp

9.4 Water Supply

Detailed surface water modelling is underway (via C&R Consulting). Previous modelling indicated wet-season inflows could support a similar-scale operation, with net water drawdown estimated at approximately 0.36 GL per annum across the life of the project.

Water supply will be supported across six dam facilities with total storage capacity growing from 231 ML in 2026 to 849 ML by 2032. The initial priority water source is Environmental Dam 2 and the Runoff Dam, with the process plant supplied via a pumped HDPE pipeline system (approximately 1.4km, delivering ~51 m³/h). The Freshwater Dam (320 ML) will come online in 2027 as the primary long-term raw water storage.

Table 9-1: Raw Water Supply from Different Dams

Mine Water Supply	Storage Capacity	Year Required
Runoff Dam	55 ML	2026
Enviro Dam 2	176 ML	2026
Freshwater Dam	320 ML	2027
Enviro Dam 1	72 ML	2029
Enviro Dam 3	83 ML	2030
Enviro Dam 4	143 ML	2032

The sequence of construction and final dam requirements are currently under review, subject to outcomes of the net water balance and surface water modelling.

Process water will be managed through a closed-loop system emphasising recovery and reuse, with segregated clean and dirty water circuits. Construction water will be supplied via groundwater bores drilled along the Desailly Creek and road alignment, supported by turkey's nests positioned parallel to the access road.

Wastewater from the camp (estimated at ~53 kL/day for up to 250 personnel) will be managed via a spray irrigation system across a ~17,500 m² field adjacent to site infrastructure.

9.5 Non-Process Infrastructure Buildings

NPI facilities will be staged in line with project phase and predominantly comprise modular and transportable buildings to minimise on-site construction time, cost, and complexity.

During the early works and construction phase, temporary facilities will be established to support contractor mobilisation, project management, and civil construction activities. Permanent operational NPI infrastructure will be progressively established in parallel with construction and mining ramp-up.

Permanent facilities will include:

- Administration and technical office accommodating management, mine planning, engineering, geology, health, safety and environment (HSE), maintenance planning, and site administration
- Laboratory supporting ore sampling, metallurgical test work, grade control, and process quality assurance
- Dedicated mine services area comprising heavy and light vehicle workshops, warehouse for critical spares and consumables, tyre handling and storage, and washdown bays
- Explosives infrastructure including a magazine and bulk storage facilities
- Gatehouse for site access management, inductions, and security
- Fuel farm providing bulk diesel storage and refuelling facilities for all mining and construction equipment

Like the camp, NPI buildings are likely to be financed over a 36-month period to reduce upfront capital requirements.

9.6 Communications & Service Infrastructure

Given the site's remote location, communications infrastructure has been designed for reliability, redundancy, and scalability. High-speed internet will be delivered via Starlink satellite terminals. Site-wide communications will use a fibre optic system with Ethernet LANs, wireless systems, and OT/IT network segregation. Voice communications will use VoIP. Mobile coverage will be enhanced through cellular boosters, and mining operations will use VHF/UHF radio across the plant, pit, and waste dump areas.

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9.7 SITE LAYOUT

The process plant and mine are placed approximately 24km north of Mulligan Highway to be accessed via a new Mine Access Road built over an existing access track. The mine area is located approximately 800m AHD, 475m higher than Mulligan Highway at 325m AHD. Plan views of the layout are displayed below in Figure 9-4, highlighting the site access road, internal roads, process plant, village, dams, non-process infrastructure (NPI) in relation to the open-pit and waste rock dumps.

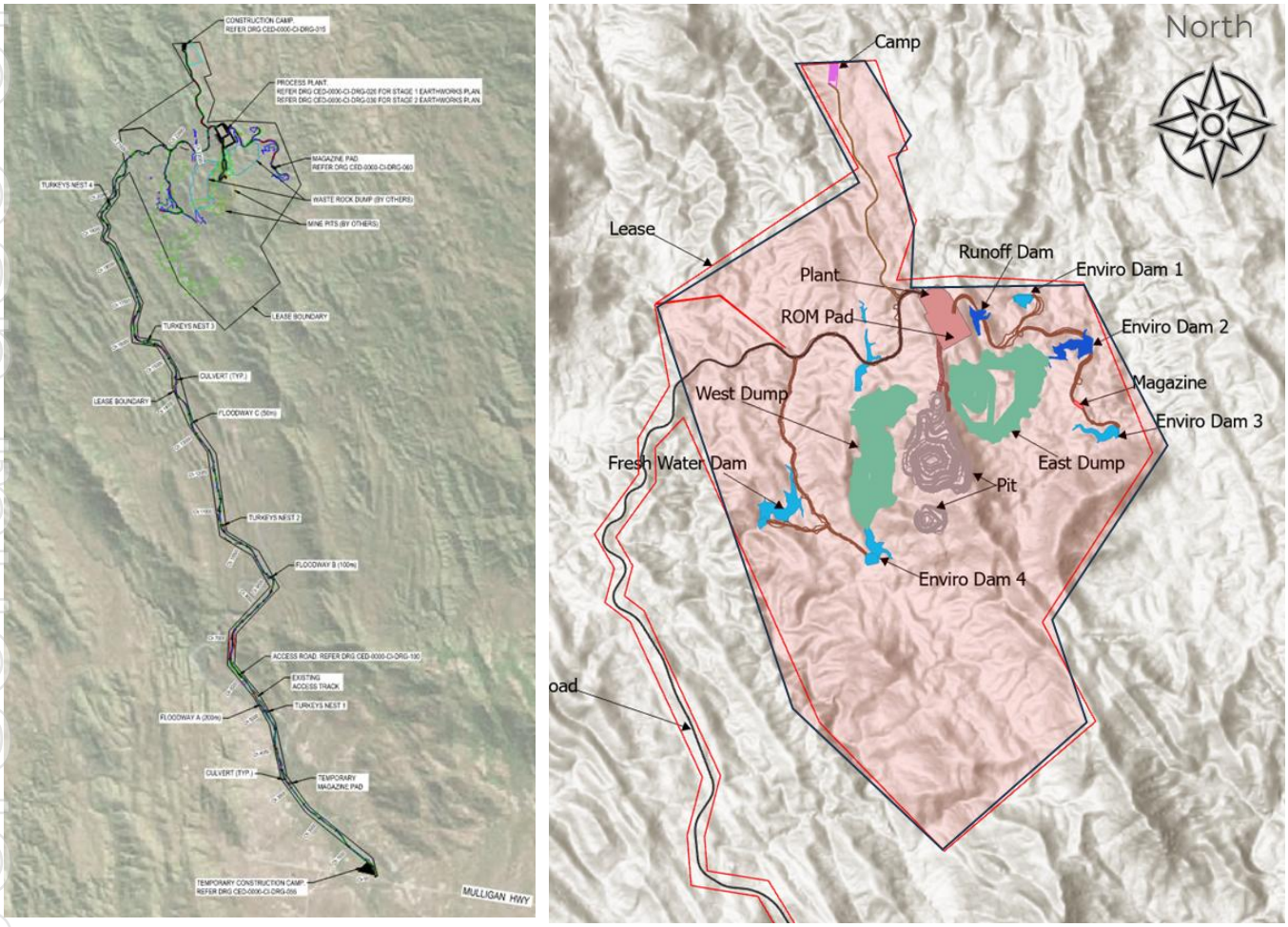


Figure 9-4: Site Layout

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10 PROJECT DEVELOPMENT

A speed-to-market approach has been adopted for project development to enable TGN to capitalise on the current strong global demand for tungsten and elevated tungsten prices. The Watershed Project benefits from having already secured its primary approvals, with an Environmental Authority granted by the Department of Environment, Tourism and Science (DETSI) and a Mining Lease (ML) approved by the Department of Resources in Queensland. The early granting of these approvals has removed primary approval permitting risks from the critical path, providing TGN with a significant competitive advantage over other tungsten development projects.

With the EA and ML now in place – secondary approvals, engineering, procurement, supply, and installation activities are firmly on the critical path.

10.1 TIMELINE

Pending a Preliminary Investment Decision and approval of pre-commitment funding, the immediate priorities will include civil early works, civil engineering detailed design, and geotechnical studies. Prior to commencement of early works, secondary environmental approvals will be required.

Upon secondary approvals being granted, geotechnical investigations and water bore drilling will commence. Civil works, including upgrades to the Main Access Road and construction of the Process Plant Pad, will then enable the subsequent installation of key process and non-process infrastructure.

In parallel with early works, procurement of long-lead items will be undertaken. This procurement has been included in the pre-commitment funding budget to ensure critical equipment is delivered on schedule. Key long-lead items include:

- Mobile Crushing Modules
- Primary, Secondary, and Tertiary Mills
- Primary and Secondary Gravity Modules
- Ore Sorters
- Flotation and Thickening Plant
- Construction Camp and associated NPI buildings

The next phase of engineering design will also proceed in parallel. The completion of early works, LLI deliveries, and design will allow commissioning in early 2027 and first production targeted for H1 2027.

An aggressive Level 1 project schedule is provided in Figure 10-1 for reference.

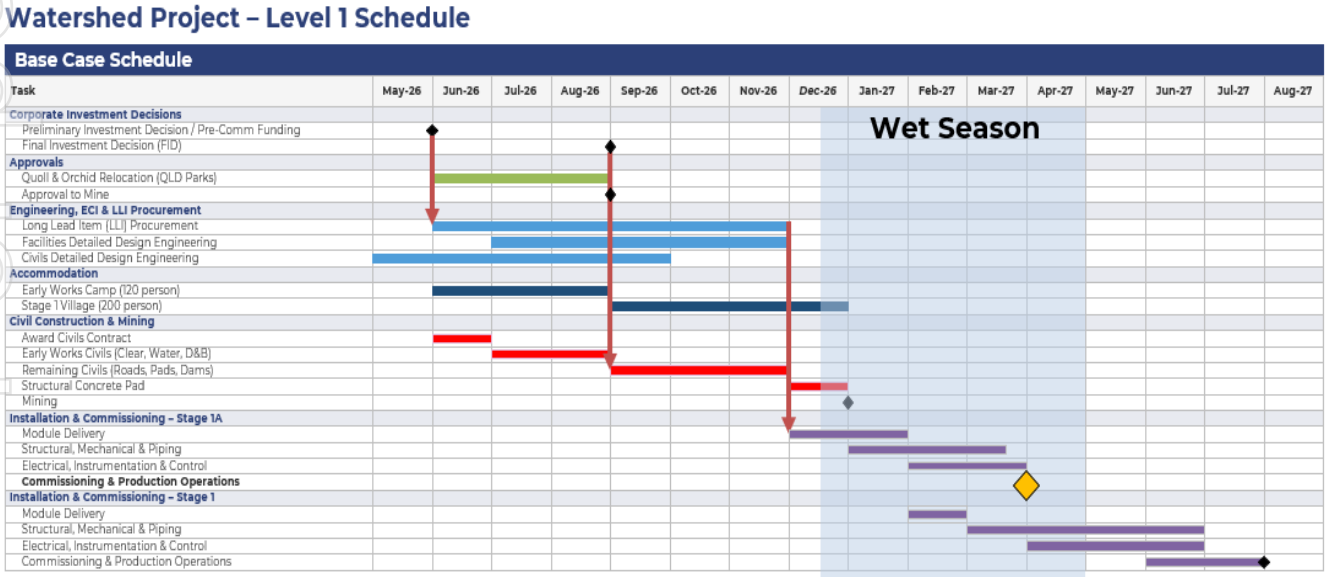


Figure 10-1: Watershed Project Level 1 Aggressive Target Schedule

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10.2 STRATEGY

The following strategies will be implemented to execute the project and achieve the H1 2027 first production target:

1. Utilise relevant outcomes and data from Vital Metals' 2014 DFS, along with the existing approvals, as the foundation for project development.
2. Retain ownership of the process flowsheet and associated process risks by leveraging TGN's in-house metallurgical and process engineering expertise.
3. Implement Early Contractor Involvement. This will distribute execution and schedule risk across multiple specialised process and NPI package vendors.
4. Engage a specialist Engineering, Procurement, Construction and Management Contractor (EPCM) to integrate plant infrastructure and balance of plant engineering
5. Engage and shortlist specialist vendors identified through the ECI process.
6. Procure critical long-lead items pending a Preliminary Investment Decision.
7. Commence early civil works to de-risk the overall schedule, particularly ahead of the 2026/2027 wet season.

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11 CAPEX

The Capital Cost Estimate for the Watershed Project has been developed to support the PEE and provides an assessment of the capital investment required to design, construct, commission, and support the operation of the proposed 3 Mtpa processing facility and associated infrastructure. This Basis of Estimate sets out the methodology, assumptions, and pricing sources used in its preparation. The estimate has been prepared at the PEE phase, generally aligned with an AACE Class 3/4 estimate classification with an accuracy range of ±25%, and reflects the current level of engineering definition, vendor engagement, and market pricing.

The Capex estimate includes both direct and indirect costs associated with the development of the process plant and supporting infrastructure, and spans all major project areas: project development (RC and diamond drilling, testwork, and supporting studies), Environment, Heritage & Approvals (EHA) and land access, the early works camp and construction facilities, civils, mining, process infrastructure, dams and water supply, power, non-process infrastructure (NPI), the permanent accommodation camp, owner's costs, and EPCM works. Allowances have also been incorporated for freight and logistics, contractor mobilisation and demobilisation, construction consumables, temporary facilities, and project management activities appropriate for a remote greenfield development. Mining — including contractor mobilisation, site establishment, and the early/initial mining up to the end of March 2027 — has been capitalised.

The estimate has been built using a combination of mechanical equipment lists (MELs), material take-offs (MTOs), and vendor budget quotations, supplemented by in-house benchmarks, historical cost data, and cost information from comparable Australian mining and mineral processing projects. The build-up is predominantly vendor-quotation-based, with factored estimating methodologies applied where detailed take-offs were not yet available. Drilling has been priced on a rate-per-metre basis, and the process infrastructure was developed by Mincore from PEE deliverables (PFDs, PDC, and MEL).

11.1 ESTIMATE SUMMARY

Table 11-1: Pre-Production CAPEX Estimate Summary

Categories	A$ M
Direct Costs	$201.12
Project Development	$10.73
EHA & Land Access	$3.04
Early Works Camp & Construction Facilities	$5.59
Civils	$51.33
Mining	$9.25
Process Infrastructure	$89.74
Dams & Water Supply	$17.87
Power Supply & Reticulation	$1.45
NPI	$4.41
Camp	$7.70
Owners & EPCM	$49.23
Owners Costs (Inc Fuel)	$36.90
EPCM	$12.33
Contingency & Growth	$23.97
Growth & Escalation	$3.56
Contingency	$20.41
Total	**$274.33**

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11.2 Basis of Estimate

The following summary of the Watershed PEE Basis of Estimate is provided to establish the estimating methodology for each of the Capex categories in Table 11-1 above.

11.2.1 Project Development

Covers resource development (RC drilling at $200/m and diamond drilling at $500/m, rate-per-metre from in-house experience), development testwork (quoted by Nagrom), and supporting studies including EHA. The EHA component was factored from comparable executed contracts and historical cost data.

11.2.2 Environment, Heritage, Approvals (EHA) & Land Access

Covers environmental approvals, regulatory fees, specialist consultants for surveying and ongoing monitoring, and securing land access. Estimated by factoring actual costs from comparable executed contracts, supported by historical data and in-house experience.

11.2.3 Early Works Camp & Construction Facilities

The temporary early works camp is priced on a budgetary quotation from modular building company Black Diamond. Construction facilities (site office, ablutions, crib rooms, and satellite offices) are based on an Alpha National quote, which also included a financing option.

11.2.4 Civils

Bulk earthworks, roads, and pad preparation are based on budgetary quotations from Colliers, with quantities from the preliminary site layout. In-house benchmarks and comparable project experience were applied where detailed take-offs were not yet available.

11.2.5 Mining

Mining capex has been minimised by deferring activities as late as practicable, with no significant pre-strip required as the ore outcrops at surface. The estimate covers outstanding studies, contractor mobilisation, site establishment, and early mining works, priced via early contractor engagement and capitalised through to March 2027.

11.2.6 Process Infrastructure

Quantities and pricing were developed from PEE-phase deliverables (PFDs, PDC, MEL, layout, and equipment sizing), using benchmark and factored methodologies where detailed take-offs were limited. Major equipment is priced on vendor quotations, with construction labour based on Queensland regional productivity rates and Mincore's cost databases.

11.2.7 Dams & Water Supply

Developed using budgetary quotations from Colliers, supplemented by industry norms and benchmark data. The infrastructure is sized to meet the project's mine site water supply requirements.

11.2.8 Power Supply & Reticulation

Developed by Praxis using the MEL connected load and EIC scope to size a diesel-fuelled generator power station and associated reticulation. Renewable energy integration is noted as a future opportunity to offset diesel consumption, costs, and emissions.

11.2.9 NPI

Comprises the fuel farm (priced by NQ Petro, with financing options) and the NPI buildings (HV workshop, washdown, magazine, laboratory, crib room, and offices). The buildings are based on a Black Diamond supply-and-install quotation, supplemented by in-house benchmarks.

11.2.10 Camp

Covers the supply, construction, and fit-out of the permanent accommodation village. Two vendors were assessed, with Black Diamond adopted as the basis (meeting the program and offering financing options).

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11.2.11 Owners Costs (Inc Fuel)

Covers the project team's labour, flights, accommodation, fuel, and non-labour items, built up from first principles using project rosters, headcount, and agreed rates. Labour uses internal rates benchmarked against market, and fuel is estimated at around $11.9M per annum.

11.2.12 EPCM

Covers design and management costs across civils, non-process infrastructure, and process infrastructure. Civils is based on quotations from Colliers, C+R, CMW Geosciences, and Saw Civil, while NPI and process draw on detailed-design allowances and the Praxis EI&C quotation.

11.2.13 Growth & Escalation

Provisions for cost increases not captured in contingency — growth for the maturation of quantities and design, and escalation for cost movements over time. A combined allowance of 2% has been applied across all direct costs.

11.2.14 Contingency

A provision for the risk and uncertainty inherent in the defined scope, excluding scope changes and design growth. Applied deterministically based on confidence in engineering maturity, estimate basis, and vendor pricing, at 7.5% to 12.5% across all direct costs.

The sources and basis of the capital cost estimate are summarised in the table below.

Table 11-2: Equipment Source Data

Item	Source	Origin
Mobile Crushing	Metso	Finland
Fixed Crushing	Metso	Finland
Ore Sorter	Tomra	Germany
Primary Ball Mill	Ersel	Turkey
Secondary Ball Mill	Ersel	Turkey
Tertiary Ball Mill	Ersel	Turkey
Primary Spiral Gravity	Mineral Technologies	Australia
Secondary Spiral Gravity	Mineral Technologies	Australia
Vibrating Screen	Landsky	China
Flotation Cell	Roytec	China
Shaking Tables	Mineral Technologies	Australia
Thickeners	LZZG	China
Belt Filters	Roytec	China
Filter Press	Roytec	China
Bagging Station	Premier Tech	Canada
Pumps	Global Pumps / NaiPu	Australia / China
Agitators	Mincore in-house data	-
Air Compressor	Mincore in-house data	-
RO Plant	Makwater	Australia
Waste Treatment Plant	Makwater	Australia
Accommodation Village	Alpha	Australia
NPI Buildings	Alpha	Australia
Diesel Genset	Cummins	USA

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Table 11-3: Suppliers / Vendors Engaged

Vendors	Category
Colliers	Civils (bulk earthworks, roads, pads); Dams & water supply; Civils EPCM
Black Diamond	Early works camp; NPI buildings (supply & install); permanent accommodation camp (adopted basis)
Alpha National	Camps, NPI buildings and Construction facilities (site office, ablutions, crib rooms, satellite offices)
NQ Petro	Fuel farm (supply)
Praxis	Power supply & reticulation (MEL / EI&C); EPCM – power station design, communications design, process plant EI&C
Nagrom	Development testwork (priced off preliminary scopes / in-house flowsheet)
C+R	Civils EPCM
CMW Geosciences	Civils EPCM – geotechnical engineering
Saw Civil	Civils EPCM
Mincore	Process infrastructure (process plant) estimate – developed from PEE deliverables (PFDs, PDC, MEL). Equipment vendors identified within Mincore report.

12 OPEX

12.1 Estimate Summary

The Operating Cost Estimate for the Watershed Project has been developed to support the Project Economic Evaluation (PEE) and provides an assessment of the operating costs to sustain the proposed mining and processing operation including supporting non-process infrastructure and ancillary facilities.

The operating cost estimate was prepared to AACE Class 3/4 standard with an accuracy of ±25%, using a first-principles based operating cost model. Where possible input costs have been procured directly from vendors, or OEM's, suppliers. Where these costs have not been available, they have been benchmarked from similar projects or adopted current industry standard pricing based on publicly available data.

A breakdown of the operating costs is summarised below in Table 12-1.

All units are presented in Australian dollars per tonne (A$/tonne) of ROM feed.

Table 12-1: Operational Expenditure – A$ per Tonne Crusher Feed

Categories	A$ per Tonne Crusher Feed
Mining	$19.00
Processing Plant	$8.18
Crushing	$3.88
Tailings Disposal & Waste Rock Handling	$1.37
Other (Camp, Admin)	$5.45
Labour	$7.96
Financing Cost	$2.02
Total (A$)	**$47.87/t**
	$593.62/mtu

Mining costs have also been estimated as **A$7.78 per tonne** of total material movement targeting 3 Mtpa of crusher feed annually based on a contract mining operation. Mining costs are detailed in Section 5.

12.2 OPEX Basis of Estimate and Exclusions

The operating cost estimate has been prepared to support an assessment in line with an AACE Class 3/4 standard. It is based on benchmark data, vendor pricing, and internal databases from comparable projects. The estimate reflects conditions as of May 2026 and calculated in Australian dollars. It is intended to provide an indicative assessment of potential operating requirements, subject to refinement as project definition advances.

12.3 Key Basis of Estimate

- Estimate classification based on Class 3/4 in accordance with AACE with an accuracy range of ±25%.
- Operating cost model was developed using first principles, supplemented by benchmarking with comparable projects.
- An estimate for labour was generated including allowances for offsite management and technical services, and onsite roles including management, technical services, OH&S. supply and purchasing, laboratory staff, plant supervisors, operators, maintenance and support staff. Costs have been derived from the Hays Salary register 2025 / 2026.
- Contract staff associated with the accommodation village, mining (operations and maintenance) have been considered in the allowance for accommodation and transport to site.
- Tutt Bryant has provided OEM services records and part changeout frequency to support maintenance estimates for the mobile crushing plant.
- Diesel consumption for the crushing circuit is based on information provided by Tutt Bryant and engine power ratings, modelled over the expected availability of the units.

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- Front-end Loader rates have been provided by contractors on a unit-distance basis to estimate the product haulage from the crushing and sorting plant to the downstream wet plant.
- Power costs have been nominated based on diesel-fired power generation, on a contract basis
- Diesel supply pricing is based on the expected long-term terminal gate price with contingency added to consider supply to site.
- Water abstraction costs are based on diesel consumption from diesel-powered pump stations located adjacent to each dam
- Treated water costs assume treatment via RO for potable water use at a nominal rate, assuming 200 people onsite.
- Power costs have been estimated from the installed load derived from the load list, with a factor applied for estimated base load and includes drawdown for non-process infrastructure and auxiliaries such as accommodation and building facilities.
- Reagent consumption has been scaled based on mass balance feed rates with dosages from float regimes from historical and ongoing testwork. Reagent costs have been estimated based on supply from Australian chemical suppliers, with contingency added for freight to North Queensland.
- Mobile equipment considered includes leasing costs for support vehicles, service vehicles and crane, forklifts, bobcats etc. Light vehicles. Mining vehicles / machinery are considered in the mining operating costs. Diesel consumption allowance considered for all mobile equipment and light, heavy vehicles.
- Maintenance for the processing plant has been estimated as a percentage of the direct capital costs, allowance made for mechanical, electrical and contract maintenance.
- Camp costs account for an average of 80% occupancy, amounting to 200 personnel on an average day rate of $120/person/day.
- Assumed 50%-60% of personnel employed are located residentially dependent on roster and role, whilst the balance will be fly-in fly-out.
- Allowance has been considered for transport of material from the filter to the waste rock dumps, with consideration for progressive capping and revegetation to manage environmental requirements.
- Concentrate transport costs assume product is being transported by road to the port of Townsville, then despatched in containers overseas.
- Elements of the below have also been captured in the financing costs, amortised over variable periods across the project:
    - Early works camp & construction facilities
    - Process infrastructure
    - Dam construction and water supply infrastructure
    - Power supply and reticulation (life of project)
    - Non-process infrastructure (accommodation and NPI buildings)
    - Permanent accommodation village
    - Owners costs (inc. fuel)

12.4 EXCLUSIONS

- Movement of material to the ROM captured in the mining costs
- Closure and rehabilitation costs, captured in the financial evaluation.
- Cost escalation beyond the base year.

13 FINANCIAL EVALUATION

The financial outcomes for the 3 Mtpa development case are presented below on a declining price basis, assuming the tungsten price tapers as the market re-balances when future supply comes online.

Given the strength of the current tungsten market, the project demonstrates robust economics with the NPV estimated at approximately five times the projected capital cost. At the assumed realised price, recoveries and throughput, the project sustains healthy margins exceeding 50% resulting in payback of the project within a year from the first ore mined. Given the conservative nature regarding the modelled feed grade and if supply side constraints persist within the tungsten market, there remains considerable upside in the project margins which would further enhance the overall value of the project.

Financial outcomes are presented below in Table 13-1, LoM Pre-Tax cashflow presented in Figure 13-1.

Table 13-1: Financial Outcomes – Base Case

Categories	Value
$NPV_{8\%(Pre\text{-}Tax)}$ (A$M)	$1,309
$IRR_{Pre\text{-}Tax}$ (%)	198%
Cumulative Cashflow (A$M)	$2,009
OPEX (A$/t crusher feed)	47.9
Capex (A$M)	274
Operating Margin (%) - LoM	56%
LoM Realised Price (US$/APT mtu)	$1,248
Payback (months - from first ore)	9

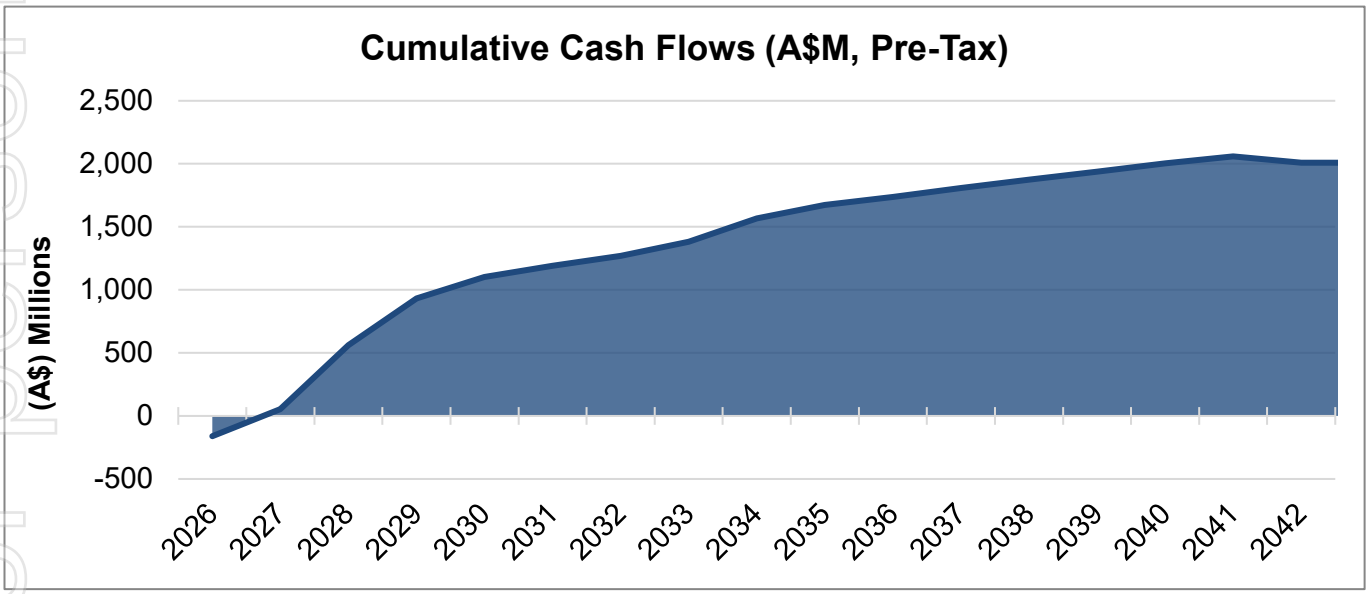


Figure 13-1: Cumulative Cash Flows - Pre-Tax

13.1 MODIFYING FACTORS

Table 13-1 and Table 13-2 detail the key inputs used as the basis the financial model. Of note, the metallurgical recovery – which improves from 67.5% at the commencement of the project to 72.5% over the life of the project. Stage 1A represents the initial capacity of the crushing plant, which expands to the full 3 Mtpa over the first 6 months of operation.

Royalties include agreements with landholders, and pre-existing covenants with financial institutions.

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Table 13-2: Modifying Factors – Watershed – Tungsten

Modifying Factors	Units	Value
Payability	% (of the LMB APT Price)	80%
Ore grade (LoM Average)	$\%WO_3$	0.11%
Ore Mined	Mt	38.9
Life of Mine Production (WO_3)	Tonnes	43,245
Life of Mine Metallurgical Recovery	%	72.5%
Stage 1 Crusher Feed	Mtpa	3.00

Table 13-3: Modifying Factors - Continued

Categories	Units	Value
Discount Rate - Real	%	8%
Company Tax Rate	%	30%
Depreciation Life	Years	10.0
FX Rate (USD : AUD)	USD:AUD	0.7
Government Royalties	%	2.7%
Other Royalties	%	3.5%

13.2 Commodity Pricing

The commodity price model used in the financial model is presented below in Figure 13-2. The model is based on the current spot price decreasing to a long-term sustained average over a four-year period. The spot price is taken as at 1st May 2026 (US$3,140/mtu), modelled with a linear decrease to US$1000/mtu to June 2030. Sensitivity is considered through modelling of a declining commodity price to series of varying long-term averages. Outcomes indicated a positive valuation declining to approximately neutral at a long-term average of US$600/mtu.

The base case has been nominated as US$1,000/mtu based on the anticipated long-term market supply and demand dynamics with supply expected to slowly come online, underpinned by growing demand in defence, mining, industrial and transport applications.

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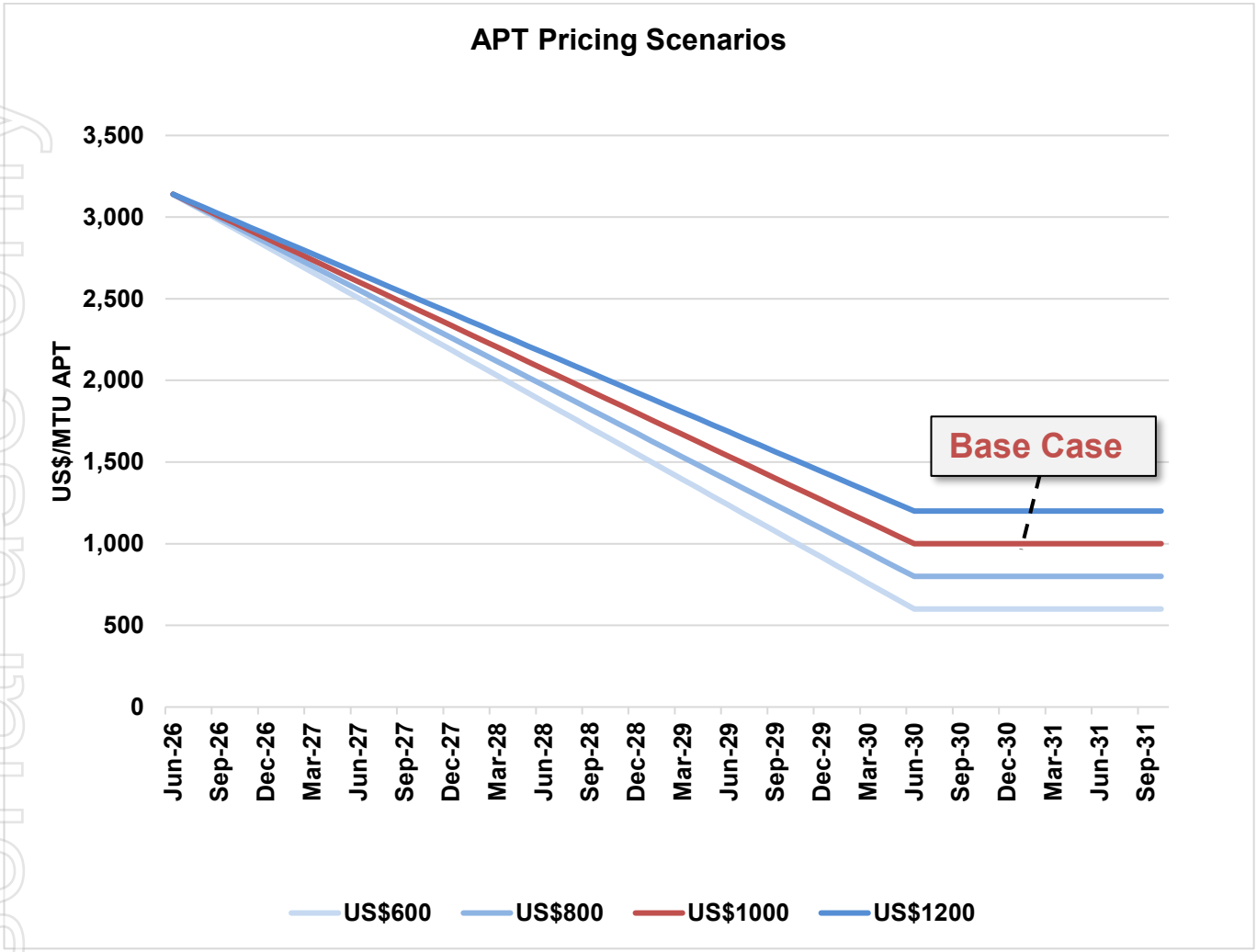


Figure 13-2: APT Pricing Scenarios - Decreasing from Spot Price

13.3 Sensitivity Analysis

A tornado plot is presented in Figure 13-3 demonstrating sensitivity to relevant metrics on the Pre Tax NPV of the project base case. The results indicate the project value is most sensitive to movements in the tungsten price, however still retains a multiple of the CAPEX at a 25% decline. The next most influential factors are the USD:AUD

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exchange rate and tungsten recovery. In contrast, the project demonstrates lower sensitivity to the capital or operating and mining costs due to the project's low strip ratio, high margins, and long mine life.

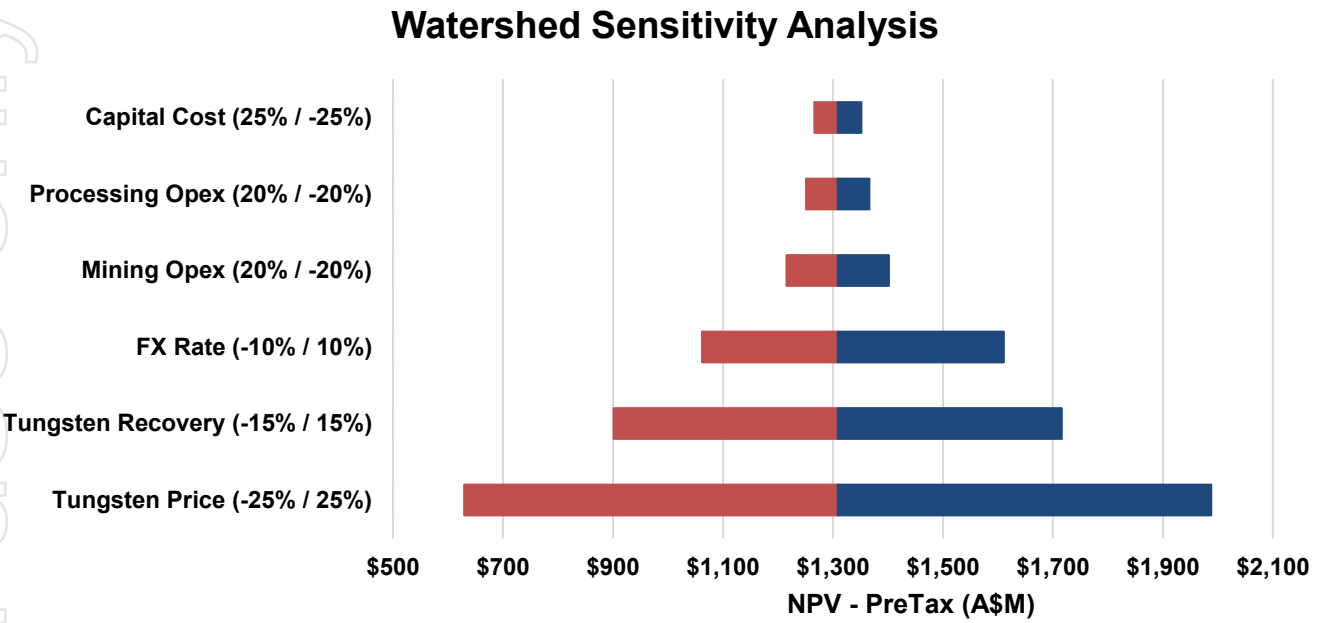


Figure 13-3: Sensitivity Analysis Base Case

Note:

1. *Base Case NPV is A$1,309M*

13.4 FUNDING

The development of the Watershed Project is expected to be funded through a combination of debt and equity, with the final funding structure to be determined as the Project advances towards a Final Investment Decision (FID).

The Company has commenced engagement with a range of potential funding sources, including pre-payments for offtake, strategic investors, commercial lenders, export credit agencies and parties seeking exposure to critical minerals projects. The Company has also engaged specialist advisers to assist with the funding process and support discussions with potential funding partners. Given the Project's advanced stage, strong economics and strategic exposure to the tungsten market, the Company believes there are multiple funding pathways available to support development.

Pre-production capital funding of approximately A$274 million is expected to be required to develop the Project. While there can be no certainty that funding will be secured on acceptable terms or within the required timeframe, the Company does not currently identify any material impediment to securing funding for the development of the Project.

The Company will continue to evaluate funding alternatives with the objective of optimising shareholder value and maintaining financial flexibility. This may include conventional project finance, strategic investment, offtake-linked funding arrangements, joint ventures or other commercial structures.

13.5 OFFTAKE

Marketing assessments indicate that the Watershed Project is well positioned within the global tungsten market, with anticipated production expected to be supported by a diversified customer base comprising trading companies, processors and end users.

The Company has undertaken extensive engagement with potential customers and offtake partners and discussions with a number of parties are well advanced. These discussions have included product specifications, commercial terms and potential long-term supply arrangements.

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The level of interest received from prospective customers provides confidence that future production from the Project can be placed into a range of end markets. Based on current engagement activities, the Company expects its customer base to comprise a mix of trading houses, processors and industrial consumers, providing diversification across customer types and end markets.

The Project is expected to supply customers across Asia, Europe and North America, providing access to established tungsten markets and supporting diversification across geographic regions.

While no binding offtake agreements are currently in place, the Company believes the advanced stage of current discussions, together with strong demand for secure non-Chinese tungsten supply, positions the Project favourably to secure commercial offtake arrangements as development progresses. The Company does not currently identify any material impediment to securing offtake for production from the Project.

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14 ENVIRONMENTAL & APPROVALS

The Watershed Project has secured its primary authorisations, including the Mining Leases (ML), Environmental Authority (EA), and Indigenous Land Use Agreement. While the project is permitted to proceed, the commencement of new ground disturbance is contingent upon the acceptance of the updated Progressive Rehabilitation and Closure Plan by DETSI and finalising secondary approvals. Current project activities are focused on re-establishing baseline monitoring and securing the necessary clearances to transition into early works and Stage 1 development.

14.1 ENVIRONMENTAL AUTHORITY

The project operates under Environmental Authority EPML01188313, which was originally granted in 2013 and subsequently amended to reflect updated site layouts and operational requirements. This EA authorises specific Environmentally Relevant Activities (ERAs), including but not limited to:

- ERA 9: Mining activities involving drilling, costeaning, and pitting causing significant disturbance.
- ERA 19: Mining metal ore (other than those specifically excluded by items 11–18).
- ERA 31(2)(b): Mineral processing exceeding 100,000 tonnes per annum.

The EA sets legally binding conditions for air quality, water management, noise levels, and land rehabilitation.

Compliance with the EA is supported by subordinate legislation and the Progressive Rehabilitation and Closure Plan (PRCP), which outlines rehabilitation and closure requirements for the project.

The current Environmental Authority reflects the approved project layout and operational configuration. Any material changes to the project footprint, infrastructure or mining activities may require amendments to the Environmental Authority and/or associated approvals.

14.2 PROGRESSIVE REHABILITATION AND CLOSURE PLAN

The Progressive Rehabilitation and Closure Plan is the primary critical-path item for unlocking new site disturbance. An updated PRCP was submitted in May 2026, with final approval anticipated in June. Currently, no new ground disturbance can occur until the PRCP is approved.

14.3 MANAGEMENT PLANS UPDATES

Compliance with the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is maintained through a "particular manner" decision, which mandates the implementation of approved management plans for the Northern Quoll and the Cooktown Orchid. Updates to these plans are currently underway to incorporate findings from targeted May 2026 surveys.

A critical revision to the Northern Quoll Management Plan is currently being sought to permit selective clearing and relocation activities during the dry season. The existing approved plan restricts clearing to a wet-season window (January to April), which presents operational challenges and safety risks. The updated plan is scheduled for submission in June 2026, with approval expected in H2 2026. Simultaneously, a translocation plan and a protected plant clearing permit for the Cooktown Orchid are being progressed, with submissions planned for June to enable clearing in H2 2026.

14.4 HERITAGE

The project's social and cultural license to operate is established through two primary instruments: the Indigenous Land Use Agreement and the Cultural Heritage Management Plan (CHMP). The Watershed Tungsten Project ILUA (QI2014/001) was initially signed in February 2008, registered in December 2012, and subsequently amended and restated in August 2014. The ILUA covers the entire mining and operational area.

The project’s CHMP was approved by the state regulatory authority in July 2013. This document establishes the protocols for recognising, protecting, and managing Aboriginal cultural heritage throughout the life of the mine. It mandates the presence of cultural heritage monitors during the initial construction and ground disturbance.

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15 PROJECTS RISKS & OPPORTUNITIES

15.1 PROJECT RISKS

A comprehensive risk assessment has been completed; a live risk register will be maintained as the project progresses and project definition increases.

The risk assessment methodology outlines each risk, rating them via an agreed upon matrix by likelihood and consequence to determine their overall risk level. Where relevant, prevention and mitigation measures have been identified to reduce either the likelihood or consequence of these risks. The intent is to maintain a proactive approach to risk management and ensure continuous review and improvement throughout the project lifecycle.

Table 15-1 highlights key risks identified by Tungsten Mining at the current stage of the project.

Table 15-1: Key Risk Table

Descriptor	Key Risks
Civil Construction & Early Mining During the Wet Season	Weather conditions in Far North Qld during the wet season are often harsh, (intermittent flooding, cyclones, strong winds etc.), which may perpetuate problems with planned civil works and mining activity. TGN is planning to execute this scope to largely avoid the wet season.
Waste Rock Classification may require cladding / covering – may impact civils and rock dumps design	Waste rock classification presents a risk, as the mine waste is currently classified as Potentially Acid Forming (PAF) and thus requires specific material management. This potentially warrants annual capping and progressive revegetation requirements to mitigate water and oxygen ingress. This is currently being evaluated by Mine Waste Management to potentially re-classify the mine waste to enable practical and cost-effective management of the material.
Resource Complexity	The deposit exhibits distinct structural controls on the tungsten mineralisation that pose a risk to the continuity of the mineralisation. The structural and lithological complexity increases the risk that resource estimation, mine planning, and grade prediction may be unreliable if the geometric relationships (e.g. host lithologies, structural markers and vein systems) are not adequately characterised. 15,000m of infill RC drilling is currently planned to improve geological understanding, thus better define the controls on tungsten mineralisation. Initial testwork has indicated variable reconciliation between historical drill results and composite assays, with limited supporting geochemistry. Further investigation is planned.
Lack of available construction water	As limited water supply options have been investigated in the past, there are currently few options to support construction water requirements for the project. As most of the construction is slated to take place prior to commencement of the wet season, surface water collected via the dam infrastructure will not yet be available. A groundwater exploration program is planned to commence in June 2026, in which multiple locations parallel to the main access road will be tested for possible water supply to support the construction phase.
Lack of local clay / gravel borrow for civils construction	Potential limitations in availability of suitable material to support construction. Ongoing consultation with the station owners and nearby operators will aim to identify suitable borrow locations for construction activities.
Challenging Civils and Mining Terrain	Ground conditions and terrain present a significant risk for civil construction works — including site establishment, road access, earthworks, and pad / foundation preparation. Coupled with wet season constraints this can result in additional costs, complex logistics and schedule implications. Colliers, a reputable civil engineering firm have significant experience delivering projects in similar conditions have been engaged to help mitigate these risks. Civils and mining contractors that have experience operating within the region will also be engaged to manage risk associated with terrain and ground conditions.
Navigating environmental obligations with the wet season and mining activities	Compliance with existing environmental approvals requires relocation of flora and fauna to enable ground clearance activities during specific timeframes. There is a potential for delays in schedule with the given clearing constraints, in particular the Quoll and Orchid species. Mitigation includes ongoing consultation with experts, Queensland regulators to improve understanding of environmental obligations, and survey work to determine locations of active habitats and relocation opportunities.
Process Recovery	Limited sample mass availability has constrained the scope of flowsheet testing. Further downstream testwork is required to validate performance of the cleaning circuit.

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Descriptor	Key Risks
	This is currently being addressed in ongoing bulk testwork and will be further validated with reserve samples intended for geometallurgical variability testing. Diamond drilling is also planned to procure additional metallurgical core to support flowsheet development.

The risks outlined are not intended to be exhaustive, all the risks identified will be continually managed through the development lifecycle. Strategies to manage the above risks have been identified and the Company plans to address them via the work outlined in the Future Work section.

15.2 OPPORTUNITIES

Key opportunities have been identified for future exploration, resource definition and cost optimisation. Table 15-2 describes key opportunities identified by the Company.

Table 15-2: Key Opportunities Table

Descriptor	Key Opportunities
Resource growth	Opportunity to expand the resource base and potentially expand the current pit to include additional inventory. Targets such as Desailly, Desailly North have not been thoroughly tested. Several zones currently identified within the current resource model that indicate substantial mineralisation present beneath the pit. Additional drilling may support the growth of these mineralisation envelopes so they can be incorporated in the pit inventory.
Flowsheet	Adding crushing and sorting capacity to increase overall tungsten production. Transition to a fixed crushing plant to reduce energy costs, limit material re-handling between crushing, sorting and wet plants.
Mining	Opportunity to transition into owner-operated mining from contract mining to enable lower total material movement costs once operations have commenced. Optimise material movement between the mine, ROM, tailings discharge, sorting plant and waste rock dumps to minimise haulage distances, handling costs etc.
Resource Definition	Improving definition across the resource to better understand the structural controls on tungsten mineralisation. This will help more acutely define the high-grade zones and thus improve interpretation of the resource to feed into the mining model.
Labour	Opportunity to increase the proportion of labour (contract and staff) sourced locally to support the project, driving retention and cost benefits.
Water supply	Opportunity to supplement water sources with groundwater and abstraction from Mitchell River and tributaries such the Desailly system. Groundwater options are currently being investigated.

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16 PROJECT EXECUTION STRATEGY

The Watershed Project has been structured around three core execution packages to enable efficient delivery, effective risk management, and speed to market. The execution strategy is designed to maximise TGN's control over decision-making, maintain strong project governance, and ensure rapid delivery through direct oversight of the engineering, procurement, and construction activities.

To support the execution strategy, the project has been divided into the following three packages:

16.1 CIVIL WORKS

- **Detailed Design**: Specialist civil design company to complete earthworks, road design, dam design, and structural concrete.
- **Contracting Strategy**: TGN to provide Construction Management (CM) of the Civils Contractor.
- **Execution Strategy**: Owner's Team managing the Civils Contractor.

16.2 PROCESS INFRASTRUCTURE

- **Detailed Design**: Engineering, Procurement, Construction Management (EPCM) contractor for Structural Mechanical Piping (SMP) design and an independent specialist EPCM for Electrical, Instrumentation & Control (EIC) design.
- **Contracting Strategy**: Engineering, Procurement, Construction & Management (EPCM Contractor) to be engaged for the Process Infrastructure and EIC packages to deliver the design of Process Infrastructure.
- **Execution Strategy**: TGN Integrated Owner's Team including the EPCM contractor to manage execution.

16.3 NON-PROCESS INFRASTRUCTURE (NPI)

- **Detailed Design**: A specialist NPI contractor will be engaged for Camp and NPI buildings design, as well as a specialist EIC company for Power Supply and Communications Infrastructure design.
- **Contracting Strategy**: EPC and/or Design and Supply.
- **Execution Strategy**: Owner's Team manages the Contractor for NPI buildings, Camp, Power Supply & Communications packages.

A High-level project execution strategy presented below Figure 16-1.



Figure 16-1: Project Execution Strategy

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17 FORWARD WORK

With the completion of the PEE, TGN will evaluate the release of pre-commitment funding through a Preliminary Investment Decision and develop a clear forward work plan to maintain momentum and target first production in 2027.

The forward work plan is built upon the speed-to-market strategy established during the PEE and focuses on several parallel workstreams: secondary approvals, early civil works, long-lead item procurement, and detailed engineering design.

17.1 IMMEDIATE ACTIONS

- Commit funding for Long Lead Items procurement in June 2026
- Award contracts to shortlisted ECI vendors for critical packages
- Commence the next phase of engineering definition for the process plant and NPI facilities
- Define construction camp details and construction facility building details
- Finalise secondary environmental approvals required for early works (vegetation clearing)

17.2 EARLY WORKS

- Commence geotechnical investigations and water bore drilling
- Commence early works for the Main Access Road and construct the Process Plant Pad
- Continue Civil Engineering Detailed Design
- Continue surveys for protected species and consult with regulator regarding relocation planning
- Commence LLIs procurement. Including:
    - Mobile Crushing Modules
    - Primary, Secondary, and Tertiary Mills
    - Primary and Secondary Gravity Modules
    - Ore Sorters
    - Flotation and Thickening Plant
- Continue with engineering design and definition

17.3 EXECUTION

- Detailed design and module fabrication
- Residual Vegetation Clearing
- Bulk Civils and Earthworks
- Process Plant Pad and Dams Development
- Installation of Permanent Camp
- Delivery of Modules
- Structural, Mechanical and Piping Installation, targeting mechanical completion in early 2027
- Commissioning and ramp up

-ENDS-

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This ASX announcement was authorised for release by the Board of Tungsten Mining NL.

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Competent Person's Statement

The information in this announcement that relates to Mining, Metallurgy, Engineering Process Design, and the production target and forecast financial information derived from the production target is based on, and fairly represents information and supporting documentation prepared by Mincore, and was reviewed by Mr Kong Leng (Jimmy) Lee who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Lee is a Non-Executive Director of Tungsten Mining NL and has sufficient experience that is relevant to the style of mineralisation and proposed processing and to the activity currently 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 Lee consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results, Exploration Targets and Data Quality 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 (AusIMM). 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 this announcement of the matters based on his information in the form and context in which it appears.

Previously Reported Results

The Mineral Resource Estimate underpinning the production target in this announcement is set out in TGN's ASX announcement dated 18th June 2026 titled "Updated Watershed Mineral Resource Estimate". The Competent Person's statement and full JORC 2012 Table 1 disclosures are included in the respective announcement.

Forward Looking Statements

This report may contain forward-looking statements which can be identified by forward-looking terminology, including and without limitation to, the terms "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Indications of and guidance on future earnings financial position and performance are also forward-looking statements as are any statements in this report regarding TGN'S operations.

Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services and the ability to secure adequate financing. These and other factors should be considered carefully, readers should not place undue reliance on such forward-looking information. There can be no assurance that forward-looking statements will prove to be correct.

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Cautionary Statement

The Project Economic Evaluation Study ("Study" or "PEE") referred to in this ASX announcement has been undertaken for the purpose of initial evaluation of a potential development of the Watershed Project in Queensland. It is a preliminary technical and economic study of the potential viability of the Watershed Project.

The Study has been completed to Pre-Feasibility Study level as defined under the JORC Code 2012. No Ore Reserves are declared at this time. The Company intends to declare Ore Reserves as part of the Final Investment Decision process targeted for September 2026.

Of the Mineral Resources scheduled for extraction in the Study production plan >90% fall within the Indicated or Measured Category and there is no certainty that further work will result in the production target itself will be realised.

The Study is based on material assumptions as outlined in this announcement. These include assumptions about the availability of funding. While TGN considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved.

To achieve the range of outcomes indicated in the Study, pre-production funding in the order of A$274M may be required. There is no certainty that TGN will be able to source that amount of funding when required. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of TGN's shares. It is also possible that TGN could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Project.

Statements in this announcement regarding TGN's business or proposed business, which are not historical facts, are forward-looking statements that involve risks and uncertainties, such as Mineral Resource estimates, market prices of tungsten, capital and operating costs, changes in project parameters as plans continue to be evaluated, continued availability of capital and financing and general economic, market or business conditions, and statements that describe TGN's future plans, objectives or goals, including words to the effect that TGN or management expects a stated condition or result to occur. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by TGN, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

TGN believes that this announcement includes a fair and balanced summary of the Study. TGN has concluded that it has a reasonable basis for providing these forward-looking statements and the forecast financial information included in this release. This includes a reasonable basis to expect that it will be able to fund the development of the Project upon successful delivery of key development milestones and when required. While TGN considers all material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved and are considered preliminary in nature. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this Study.

About Tungsten Mining NL

Critical minerals developer, Tungsten Mining NL is an Australian-headquartered resources company listed on the Australian Securities Exchange (ASX:TGN) and US OTCQB (OTCQB:TGNMF). Its prime focus is the exploration and development of tungsten and critical minerals projects.

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 a platform for the Company to become a major player within the global primary tungsten market through the development of low-cost tungsten concentrate production.

About tungsten

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) WO_4) and scheelite ($CaWO_4$).

Tungsten also 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. It 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.

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed*	The majority of the sampling was completed as 1m sawn half core samples from diamond drilling, generally HQ/NQ core size. Tungsten in the deposit is only present as the mineral scheelite, which even in small concentrations is readily detected by UV fluorescence. Sampled zones were selected by Utah, Geopeko and Vital Metals using shortwave UV lamping to identify scheelite and define mineralised intervals. Samples generally weighing 2-4kg were sent to a commercial laboratory for sample preparation and analysis. Analysis was by either pressed powder XRF or lithium borate fusion with an ICP finish. All sampling, sample preparation and analytical techniques were to industry standard for the time. **Utah** From 1980 to 1982, Utah sent its 1 metre diamond core samples for tungsten analysis by pressed powder XRF after an unspecified sample preparation. **Geopeko** Samples from Geopeko diamond drilling in 1985 were crushed, dried and ring milled in the sample preparation stage with analysis by pressed powder XRF technique (Method Code 401). 15 costeans were excavated for 1256 m and 676 samples were collected for tungsten assay from seven of the costeans. The remaining costeans were used for geological mapping. **Vital Metals** From 2006, Vital Metals completed HQ3/NQ diamond drilling as the main sampling technique with samples obtained as 1m core samples across mineralised zones. Sampled zones were selected by the use of shortwave UV lamping for scheelite. Samples were taken 2 m either side of identified mineralised intervals to ensure mineralised intervals are adequately sampled. Reverse circulation drilling was used to obtain 1m samples from which 5kg was sent to the laboratory for standard sample preparation and analysis.

Operator	Drill type	Number of drill holes	Drilling (m)
Utah Development Corporation	**DD**	**43**	**11,497**
Geopeko	**DD / Costean**	**27**	**2,128**
Vital Metals	DD	203	36,235
	RC	77	5,465

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Criteria	JORC Code explanation	Commentary
	information.	

	Total	**280**	**41,701**
Summary			
Total DD Drilling	DD	258	48,559
Total RC Drilling	RC	77	5,465
Total Costeans	Costean	15	1,302
Total	**All**	**350**	**55,326**

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Data is a combination of reverse circulation, diamond drilling and costean sampling with a diamond saw. Reverse circulation and costean sampling represent a very minor proportion of the entire dataset. Diamond drilling has been completed predominantly at NQ2 diameter with the pre-collar completed at HQ3 (triple tube). Most holes have been surveyed downhole by the drilling company using either an Eastman single shot camera or Flexi-tool equipment. Downhole interval between readings has generally been 25 m to 30 m but occasionally this extends up to 60 m. Historical core was partially orientated, comprehensive core orientation has been undertaken by Vital Metals on some 134 holes totalling 18,743 metres of successfully oriented core. Reverse circulation drilling was completed with a face sampling bit. 61 of 78 RC holes in the database were drilled at 4 ½" and 15 drilled at 5".
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Geologist and/or driller recorded recovery during drilling. 13,265 DD recovery intervals were recorded, with a mean of 98.5%. As the mineralised zones are extremely competent no measures were required to maximise sample recovery. No recovery data or sample weights found in the database for RC samples. No relationship between sample grade and recovery has been demonstrated. No significant bias has been identified with sample recovery.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Core was geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation. This included quantitative aspects such as structural measurements and RQD recordings, and qualitative aspects such as lithology, alteration and mineralisation. Geotechnical logging of select drill holes has been completed by geotechnical engineers. All core drilled by Vital Metals has been photographed, some historical core has also been photographed.

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Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	100% of relevant mineralised intersections have been logged, 52,982m of logging are recorded in the database.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	For Utah and Geopeko, core was scanned under UV light and intervals estimated to contain greater than 500ppm WO_3 were halved by diamond saw prior to half core sampling on one metre lengths. The remaining material estimated to contain <500ppm WO_3 was chisel split prior to sampling on one metre lengths. Sample preparation at the laboratory and the sub-sampling and QAQC procedures for Utah and Geopeko are not documented. Vital Metals core was cut in half with a core saw over mineralised intervals and 1 metre half core samples were submitted to the laboratory for analysis. Reverse circulation chips were split using a 3-tier riffle splitter to provide both reference samples and samples submitted for analysis at the laboratory. Vital Metals sample preparation involved drying, crushing (where necessary), rotary splitting, pulverising to 95% passing 106micron, riffle split to yield a 300-400g sub-sample. This sample preparation methodology is industry standard. Vital Metals conducted a QAQC program that has been implemented which employs both blanks and standards as well as duplicates of coarse and pulp rejects from the sample preparation process. This includes assay orientation work comparing pressed powder XRF with glass fusion XRF (2006-2011), umpire assaying, submission of reference standards, primary crush and pulp duplicates. Sample sizes are appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**Utah and Geopeko** Utah and Geopeko samples were assayed by pressed powder with XRF finish. **Vital Metals** Analysis by Vital Metals was initially completed by pressed powder XRF. Values greater than 635ppm W were re-assayed by lithium borate fusion - inductively coupled plasma-atomic emission spectroscopy (ICP-AES). **XRF Assay Techniques**

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Criteria	JORC Code explanation	Commentary
		XRF has proven to be a very accurate analytical technique for a wide range of base metals, trace elements and major constituents found in rocks and mineral materials. XRF is utilised for assaying, since it provides good accuracy and precision; it is suitable for analysis from very low levels up to very high levels. The pressed powder XRF techniques is considered the equivalent of total digest. **ICP-AES Assay Techniques** lithium borate fusion ICP-AES has proven to be a very accurate analytical technique for samples in which the elements of interest are hosted in minerals that may resist acid digestion. The ICP-AES techniques is considered the equivalent of total digest.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	No geophysical tools, spectrometers, handheld XRF instruments used/recorded.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**Utah** Utah conducted an umpire assay program involving 156 pulps from five drillholes, submitted to Comlabs Laboratory (Adelaide) using XRF. Results demonstrated reasonable precision with 86% of pairs within 10% relative difference and a slight negative bias of −1.83% compared to the original assays. **Geopeko** Geopeko conducted a modified round-robin program re-assaying 1 in 10 samples across five laboratories (Tetchem, Comlabs, Amdel, Analabs and ALS). For samples above 10 times the detection limit of 0.01% WO_3, inter-laboratory precision was high, with 90% or more of pairs within 10% relative difference, indicating Geopeko sample results are likely to be precise. **Vital Metals** Vital Metals' QC program covered a number of aspects: ○ Assay orientation work comparing pressed powder XRF with glass fusion XRF (2006-2011) ○ Umpire assaying ○ Submission of reference standards ○ Primary crush duplicates ○ Pulp duplicates Five umpire assay suites (445 comparative assays) were submitted to ACME Laboratories (Vancouver) over April 2006 – March 2008, using ACME's 7KP mixed acid digestion method. Results were reviewed by McDonald Speijers (April 2009) and demonstrated close agreement between the ALS borate fusion method (ME-ICP85) and ACME, with relative differences generally within ±2%. The ALS pressed powder XRF

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Criteria	JORC Code explanation	Commentary
		method (ME-XRF05) showed greater scatter against ACME results. On this basis, pressed powder XRF was retained for sample screening, with glass fusion (ME-ICP85) applied to all economically significant mineralisation. The review confirmed the analytical process was appropriate. Five certified reference standards (VM-00 to VM-04, ranging from 0.001% to 1.77% WO_3) were prepared by Ore Research and Exploration Pty Ltd (ORES, Melbourne) from Watershed deposit material, designed to reflect typical rock alteration styles at the project. Standards were inserted at a rate of 1 in 25 samples, with a minimum of three different standards per batch. Higher-grade standards (VM-02 to VM-04) were used in mineralised batches; lower-grade standards (VM-00 to VM-02) in unmineralised material. A coarse blank (−6mm) was inserted at the start of every drill hole to monitor inter-hole contamination, and pulp blank VM-00 was inserted at 1 in 50 samples to assist identification of assay problems. A review by H&S Consultants reported that QAQC from the recent Vital Metals holes included standards and duplicates which indicate no obvious issues with the sampling and assay data. Coarse reject duplicates from ore sorting were submitted to ALS for check assaying. Results demonstrated high precision, with 86% of pairs within 10% relative difference, high linear correlation (r = 0.98), and negligible bias (median Half Relative Difference of 1.4%).
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Site visits have been completed by the Competent Person for Mineral Resources and who has verified a number of the significant intersections. TGN personnel have conducted a review of all assaying. Inspection of core under natural and UV light was also reviewed and compared against assays for tungsten. Twinning and quarter coring has been used to verify historical and recent intersections. Twin holes by company are as follows: • Utah – 1 diamond twin hole • Geopeko – no twin holes • Vital Metals – 4 twin holes (2 diamond and 2 RC holes) Utah drilled one twin hole and this repeated the overall grade and width of mineralisation present. Twinning of holes by Vital Metals generally repeated well given the nuggetty nature of tungsten mineralisation present. There are two examples where they repeated poorly and Tungsten Mining are investigating this issue. Following the validation of the tungsten (W) assays in the database, a new tungsten oxide (WO_3) field was calculated by multiplying W by 1.261. Following the calculation of WO_3, un-sampled, missing and below detection samples were reset to 0.001.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in*	Of the available drill hole collars all but 31 have been surveyed by differential GPS with accuracy to +/-10cm. It is not considered that this poses any risk to the resource estimate due the drill spacing and predominantly shallow nature of these holes and the proposed method of mining.

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Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The majority of recent holes have been downhole surveyed with a reflex tool, historical holes were surveyed downhole with an Eastman single shot camera. Most of the downhole surveys have been taken every 30 m. Topographic control has been gained via an airborne laser scanning survey over the deposit and surrounds generating 1m contours (AAM Hatch, 2006). The quality of the topographic data is good and adequate for Mineral Resource estimation. The grid system currently used is AMG84 Zone 55.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Drill spacing is nominally 50 m, closing to 25 m locally and is 10 m in the RC grade control test areas. Downhole sample spacing is generally at 1 m intervals The drill hole spacing is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedures and resultant classifications applied. No sample compositing has been completed.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The Utah Development Corporation surface holes were drilled at angles between -55° and sub-vertical, at azimuths approximating to 60-80° and 340°. Recent holes drilled by Vital Metals have been orientated to -60° to 348°, the reason for the change in orientation is the recognition that mineralisation is located both as disseminations and veins which are approximately normal to the strike of the deposit. Results from both sampling orientations return similar results, no significant bias was observed.
Sample security	• *The measures taken to ensure sample security.*	There is no information relating to sample security for Utah and Geopeko samples. Vital Metals samples were issued identification numbers through the use of ticket books and corresponding sample bags were pre-numbered. Sample storage prior to transport and transport method is unknown. Means of securing samples from prior drilling programs is not well documented.
Audits or reviews	• *The results of any audits or reviews of sampling techniques*	**RSG and Coffey Reviews**

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Criteria	JORC Code explanation	Commentary
	and data.	Initial reviews of both Utah and Geopeko completed by RSG and Coffey and later reviews by McDonald Speijers concluded the data was considered to be of suitable quality to conduct resource estimation. **Tungsten Mining Review** Tungsten Mining conducted a review of sampling and QAQC for the drilling. No raw QAQC data could be found for Utah and Geopeko drilling. QAQC was discussed in the RSG and Coffey reviews but could not be verified by Tungsten Mining. A review by H&S Consultants reported that QAQC from the recent Vital Metals holes included standards and duplicates which indicate no obvious issues with the sampling and assay data.

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SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Watershed is located on a number of Mining Leases (ML) which were approved on 1 December 2013 for a period of 20 years, the ML's are; ○ ML20535 ○ ML20536 ○ ML20537 ○ ML20538 ○ ML20566 ○ ML20567 ○ ML20576 All Approvals and Permitting have been completed, these include; ○ Environmental Authority ○ Indigenous Land Use Agreement ○ Cultural Heritage Management Plan ○ Agreements with Landholders Permit tenure is secure
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Utah discovered Watershed after a regional stream sediment sampling program completed in 1978. The discovery hole (MWD001) was drilled in 1980. Geopeko incorporated a joint venture with Utah in 1984 and subsequently withdrew from the project in mid-1986. Vital Metals completed 279 holes for approximately 41,700m between 2005 and 2011, predominantly HQ/NQ2 diamond core infilled to a nominal 50m x 50m pattern, re-oriented north-south to appropriately test the steeply south-dipping, east-west trending vein swarms. Work also comprised exploratory RC drilling (including core hole twins and three 10m x 10m grade control test patterns), geotechnical drilling and a 2011 infill/extension campaign. Work completed by Utah, Geopeko and Vital Metals was consistent with industry standards at the time of drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Watershed tungsten deposit is a skarn and vein deposit hosted by arenaceous and argillaceous metamorphosed sediments of the Hodgkinson Formation. These rocks form a prominent ridge that hosts the known tungsten mineralisation. Minor chert and quartz feldspar porphyry have been mapped within the project area, the latter as a persistent dyke to the east of the Watershed deposit. The dominant structural fabric is an upright, north-northwest trending cleavage. This

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Criteria	JORC Code explanation	Commentary
		cleavage corresponds broadly with the fabric developed during the fourth regional deformation. The nearest exposure of granitoid lithologies to the Watershed property is a northwest-trending porphyritic granitoid exposed approximately two kilometres to the east of the project area. Tungsten mineralisation occurs exclusively as scheelite over a strike length of approximately 3,000 metres sub-parallel to the regional north-northwest trend. The scheelite is hosted by calc-silicate and albite-muscovite altered rock units and by quartz-feldspar veins invading both the altered units and the enclosing unaltered host rocks. Disseminations of scheelite may also be present in the vein selveges and nearby fracture planes. The mineralisation is observed to occur predominantly in quartz-scheelite vein swarms. These are usually oriented east-west with some locally developed north-northwest trending veins (parallel to the dominant foliation) although observation from closely spaced drilling indicates that some shallow dipping mineralised structures may also be present. Vein widths observed in drill core range from 0.5cm to 100cm. Minor pyrrhotite, pyrite and arsenopyrite may sometimes be present. The veins display the highest tungsten grade, where biotite is present in addition to calc-silicate alteration. The mineralisation vein swarms are best developed in the arenaceous units and are relatively attenuated in the argillaceous units. Quartz-scheelite veins are most abundant in the arenite in the hinge zone of the anticline which forms the Watershed Ridge.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		No exploration results being reported

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Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No exploration results being reported
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	No exploration results being reported
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	No exploration results being reported
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	No exploration results being reported
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No exploration results being reported
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Deposit is open to depth and there are additional targets along strike. An additional 15,000 metres of RC drilling is planned to infill at 20 to 30 m spacing and to test strike continuity and down-dip extents of the mineralisation.

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