

# Tungsten Mining NL

TGN.AX, OTCQB:TGNMF - INITIATION OF COVERAGE

11 December 2025

## An Emerging Leader in Global Tungsten Supply

### NEED TO KNOW

- TGN offers exposure to tungsten exploration and development in a market with limited such opportunities
- Mt Mulgine is a large-scale, long-life tungsten and molybdenum project set to deliver into a global supply shortfall
- Chinese export restrictions underpin potential critical minerals funding support for new tungsten supply

**Mt Mulgine - A world leader:** Mt Mulgine is set to deliver large-scale, long-life, low-cost tungsten production. The recent Scoping Study highlights a scalable development pathway, likely to commence at 6Mtpa. The 259Mt Resource and an Exploration Target of up to 200Mt underpins significant expansion potential. Mt Mulgine represents one of the world's largest tungsten Resources and production opportunities. This positions TGN as a key strategic supplier, able to address the world's shortage of tungsten.

**Tungsten - Hitting record price levels:** China produces over 80% of the world's tungsten. Chinese exports have fallen precipitously following the introduction of export controls in early 2025. This has driven APT prices up to record levels. This shift means the world is no longer able to rely on China for ongoing, inexpensive supply of tungsten products. Tungsten has broad industrial applications, but it is also a critical component of a range of military, energy, EV, and electronic (including semi-conductor) applications. Importantly, the US has very limited domestic supply. These factors ensure tungsten is considered critical by the west and there is now a strong push to secure ex-China supply.

**Limited tungsten alternatives globally:** There are only a small number of tungsten development projects advancing outside China, most are significantly smaller scale than Mt Mulgine and many are at a pre scoping study level of development. This positions Mt Mulgine as a leading source of new supply. Mt Mulgine also has a material molybdenum co-product. Like tungsten, molybdenum is a critical mineral with a China-dominated supply chain, it has a number of unique characteristics that make it non-substitutable in high-end applications including a range of defence related applications.

### Investment Thesis

**Australia's leading tungsten developer:** TGN is advancing a large-scale, long-life tungsten development into a market that is in critical need of ex-China supply. Tungsten is irreplaceable in a range of advanced military and technology applications, positioning it as a key critical mineral, highly likely to benefit from government support. TGN is the leading tungsten exploration and development play in Australia and one of few large-scale opportunities globally, positioning it well to benefit from the attractive market outlook.

### Valuation & Risks: NPV A\$0.67, Spot Price NPV A\$1.28

We value TGN at A\$0.67 on a fully funded basis. We incorporate a 6Mtpa base case at Mt Mulgine. Upside at spot prices or under an expansion case scenario is material. Key risks include commodity prices, funding, exploration, development risks, and commodity prices. See page 10 for details on risks.

### Equity Research Australia

#### Materials

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Tungsten Mining is advancing multiple tungsten projects in Australia. The flagship project, Mt Mulgine, is a large-scale, long-life, low-cost tungsten development with a material molybdenum co-product. Hatches Creek is an earlier stage development, with potential to accelerate production from stockpiles. Watershed is a higher-grade advanced exploration asset. Now that China has significantly curtailed exports, TGN is positioned to address the world's critical shortage of tungsten supply. It offers one of few ways to gain exposure to tungsten globally. We see a number of catalysts to support realisation of higher value through progression of studies, Resource growth, and funding discussions.

|               |                 |
|---------------|-----------------|
| Valuation     | <b>A\$0.670</b> |
| Current price | <b>A\$0.225</b> |
| Market cap    | <b>A\$251m</b>  |
| Cash on hand  | <b>A\$10m</b>   |

### Upcoming Catalysts / Next News

| Period  |                                   |
|---------|-----------------------------------|
| Q2 2026 | Mt Mulgine PFS completion         |
| 2026    | Advance offtake discussions       |
| 2026    | Strategic partnership and funding |
| 2026    | Mt Mulgine Resource expansion     |

### Share Price (A\$)



Source: FactSet, MST Access

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Figure 1: Tungsten Mining Financial Summary

| Tungsten Mining   |          |               |                    |                |              | TGN.AX         |
|---|----------|---------------|--------------------|----------------|--------------|----------------|
| <b>Year end 30 June</b>   |          |               |                    |                |              |                |
| <b>MARKET DATA</b>  |          |               |                    |                |              |                |
| Share Price   | A\$/sh   | 0.225         |                    |                |              |                |
| 52 week high/low  | A\$/sh   | 0.06 - 0.315  |                    |                |              |                |
| Valuation   | A\$/sh   | 0.67          |                    |                |              |                |
| Market Cap (A\$m)   | A\$m     | 251           |                    |                |              |                |
| FY25 Y/E Net Cash / (Debt) (A\$m)                                       | A\$m     | 2             |                    |                |              |                |
| Enterprise Value (A\$m)   | A\$m     | 249           |                    |                |              |                |
| Shares on Issue   | m        | 1,040         |                    |                |              |                |
| Options/Performance shares  | m        | 0             |                    |                |              |                |
| Other Equity  | m        | 0             |                    |                |              |                |
| Fully Diluted Shares on Issue   | m        | 1,040         |                    |                |              |                |
| <b>NPV (fully funded, fully diluted)</b>                                |          | <b>A\$m</b>   | <b>A\$ps</b>       |                |              |                |
| NPV of TGN 70% Project Interest   |          | 725           | 0.65               |                |              |                |
| Hatches Creek   |          | 10            | 0.01               |                |              |                |
| Watershed   |          | 35            | 0.03               |                |              |                |
| Less: NPV Corporate Costs   |          | (32)          | -0.03              |                |              |                |
| Add: Net Cash (as at 31 December 2025)                                  |          | 9             | 0.01               |                |              |                |
| <b>TGN Equity Valuation</b>   |          | <b>747</b>    | <b>0.67</b>        |                |              |                |
| <b>INVESTMENT FUNDAMENTALS (June Y/E)</b>                               |          |               |                    |                |              |                |
|   |          | <b>FY24A</b>  | <b>FY25A</b>       | <b>FY26E</b>   | <b>FY27E</b> | <b>FY28E</b>   |
| EPS Reported (undiluted)  | cps      | (0.0)         | (0.0)              | 0.0            | 0.0          | 0.0            |
| EPS Underlying (undiluted)  | cps      | (0.0)         | (0.0)              | 0.0            | 0.0          | 0.0            |
| DPS   | cps      | 0.0           | 0.0                | 0.0            | 0.0          | 0.0            |
| OpCF/Share  | A\$      | (0.00)        | (0.01)             | (0.00)         | (0.00)       | (0.00)         |
| FCF/Share   | A\$      | (0.00)        | (0.01)             | (0.01)         | (0.01)       | (0.16)         |
| Year End Shares   | m        | 786           | 898                | 1,117          | 1,117        | 1,117          |
| Market Capitalisation (current)   | A\$m     | 251           | 251                | 251            | 251          | 251            |
| Net Cash / (Debt)   | A\$m     | 7             | 2                  | 5              | (1)          | (174)          |
| Enterprise Value  | A\$m     | 244           | 249                | 246            | 253          | 426            |
| EV/EBITDA   | x        | nm            | nm                 | nm             | nm           | nm             |
| Net Debt / Enterprise Value   | x        | (0.0)         | (0.0)              | (0.0)          | 0.0          | 0.4            |
| Net Debt / Equity   | %        | -27%          | -7%                | -16%           | 4%           | 702%           |
| <b>Assumptions</b>  |          |               |                    |                |              |                |
|   |          | <b>FY24A</b>  | <b>FY25A</b>       | <b>FY26E</b>   | <b>FY27E</b> | <b>FY28E</b>   |
| AUD USD   | \$       |               |                    | 0.65           | 0.65         | 0.65           |
| Tungsten Price (APT)  | US\$/MTU |               |                    | 500            | 500          | 500            |
| <b>Total Resource</b>   |          |               |                    |                |              |                |
|   |          | <b>Mt</b>     | <b>Grade %</b>     | <b>WO3 kt</b>  |              |                |
| Mt Mulgine - Indicated  |          | 183           | 0.11               | 205            |              |                |
| Mt Mulgine - Inferred   |          | 76            | 0.11               | 85             |              |                |
| <b>Mt Mulgine Total Resource</b>  |          | <b>259</b>    | <b>0.11</b>        | <b>290</b>     |              |                |
| <b>Hatches Creek Total Resource</b>                                     |          | <b>12</b>     | <b>0.17</b>        | <b>21</b>      |              |                |
| <b>Watershed Total Resource</b>   |          | <b>49</b>     | <b>0.14</b>        | <b>70</b>      |              |                |
| <b>Reserve</b>  |          |               |                    |                |              |                |
|   |          | <b>Mt</b>     | <b>Grade %</b>     | <b>WO3 kt</b>  |              |                |
| <b>Mt Mulgine Total Reserves</b>  |          | <b>140</b>    | <b>0.10</b>        | <b>140</b>     |              |                |
| <b>Management &amp; Board ownership</b>                                 |          |               |                    |                |              |                |
|   |          | <b>Shares</b> | <b>Perf Rights</b> | <b>Options</b> |              |                |
|   |          | <b>(m)</b>    | <b>(m)</b>         | <b>(m)</b>     |              |                |
| Gary Lyons - Non-Exec Chairman  |          | 8.0           |                    |                |              |                |
| Tan Sri David Law - Non-Exec Deputy Chair                               |          | 77.4          |                    |                |              |                |
| Kong Leng (Jimmy) Lee - Non-Exec Director                               |          | 6.0           |                    |                |              |                |
| Teck Siong Wong - Exec Director/Interim CEO                             |          | 6.0           |                    |                |              |                |
| Chew Wai Chuen - Non-Exec Director                                      |          | 6.7           |                    |                |              |                |
| Wai Cheong Law - Alternate Director                                     |          | 5.8           |                    |                |              |                |
| <b>12-Month Relative Performance vs S&amp;P/ASX Metals &amp; Mining</b> |          |               |                    |                |              |                |
|   |          |               |                    |                |              |                |
| <b>Profit &amp; Loss (A\$m)</b>   |          |               |                    |                |              |                |
|   |          | <b>FY24A</b>  | <b>FY25A</b>       | <b>FY26E</b>   | <b>FY27E</b> | <b>FY28E</b>   |
| Revenue   |          | 0.8           | 0.5                | 1.0            | 1.0          | 1.0            |
| Expenses  |          | (5.4)         | (6.1)              | (4.6)          | (5.5)        | (5.8)          |
| <b>EBITDA</b>   |          | <b>(4.6)</b>  | <b>(5.5)</b>       | <b>(3.6)</b>   | <b>(4.5)</b> | <b>(4.7)</b>   |
| D&A   |          | (1.0)         | (0.9)              | (0.1)          | (0.1)        | (0.1)          |
| <b>EBIT</b>   |          | <b>(5.6)</b>  | <b>(6.4)</b>       | <b>(3.7)</b>   | <b>(4.6)</b> | <b>(4.8)</b>   |
| Net Interest  |          | 0.5           | (0.2)              | 0.1            | (0.0)        | 0.3            |
| Tax Expense   |          | -             | -                  | -              | -            | -              |
| <b>Underlying NPAT</b>  |          | <b>(5.1)</b>  | <b>(6.7)</b>       | <b>(3.6)</b>   | <b>(4.6)</b> | <b>(4.5)</b>   |
| Exceptionals  |          | -             | (1.2)              | -              | -            | -              |
| <b>Reported Profit</b>  |          | <b>(5.1)</b>  | <b>(7.8)</b>       | <b>(3.6)</b>   | <b>(4.6)</b> | <b>(4.5)</b>   |
| Profit before tax   |          | (5.1)         | (6.7)              | (3.6)          | (4.6)        | (4.5)          |
| <b>Balance Sheet (A\$m)</b>   |          |               |                    |                |              |                |
|   |          | <b>FY24A</b>  | <b>FY25A</b>       | <b>FY26E</b>   | <b>FY27E</b> | <b>FY28E</b>   |
| Cash  |          | 8.1           | 2.5                | 6.0            | 14.5         | 8.0            |
| Trade & Receivables   |          | 0.1           | 0.0                | 0.0            | 0.0          | 0.0            |
| Inventory   |          | -             | -                  | -              | -            | -              |
| PP&E  |          | 1.0           | 0.2                | 0.1            | 0.1          | 164.9          |
| Exploration Assets  |          | 19.7          | 39.3               | 41.4           | 43.4         | 47.0           |
| Other   |          | 0.9           | 0.8                | 0.8            | 0.8          | 0.8            |
| <b>Assets</b>   |          | <b>29.9</b>   | <b>42.9</b>        | <b>48.3</b>    | <b>58.8</b>  | <b>220.8</b>   |
| Creditors   |          | 1.1           | 0.8                | 0.8            | 0.8          | 0.8            |
| Debt  |          | 0.6           | 0.5                | 0.5            | 15.6         | 182.1          |
| Other   |          | 0.7           | 13.1               | 13.1           | 13.1         | 13.1           |
| <b>Liabilities</b>  |          | <b>2.5</b>    | <b>14.3</b>        | <b>14.4</b>    | <b>29.4</b>  | <b>196.0</b>   |
| <b>Net Assets</b>   |          | <b>27.4</b>   | <b>28.6</b>        | <b>33.9</b>    | <b>29.3</b>  | <b>24.8</b>    |
| <b>Cashflow (A\$m)</b>  |          |               |                    |                |              |                |
|   |          | <b>FY24A</b>  | <b>FY25A</b>       | <b>FY26E</b>   | <b>FY27E</b> | <b>FY28E</b>   |
| Net Cash From Payors/Payees   |          | (2.5)         | (2.0)              | (1.6)          | (2.5)        | (2.7)          |
| Net Cash Interest   |          | 0.5           | (0.0)              | 0.1            | (0.0)        | 0.3            |
| Cash Tax Paid   |          | -             | -                  | -              | -            | -              |
| Other   |          | (2.0)         | (3.7)              | (2.0)          | (2.0)        | (2.0)          |
| <b>Cash Flow From Operations</b>  |          | <b>(4.0)</b>  | <b>(5.8)</b>       | <b>(3.5)</b>   | <b>(4.5)</b> | <b>(4.4)</b>   |
| Capex   |          | (0.0)         | -                  | (0.0)          | (0.0)        | (165.0)        |
| Other   |          | -             | (3.8)              | (2.0)          | (2.0)        | (2.0)          |
| <b>Free Cash Flow</b>   |          | <b>(4.1)</b>  | <b>(9.6)</b>       | <b>(5.5)</b>   | <b>(6.5)</b> | <b>(171.4)</b> |
| Equity  |          | -             | 4.5                | 9.5            | -            | -              |
| Borrowings drawn/(repaid)   |          | (0.3)         | (0.2)              | -              | 15.0         | 165.0          |
| Other (incl Divs)   |          | -             | (0.3)              | (0.6)          | -            | 0.0            |
| <b>Net Increase / (Decrease) in Cash</b>                                |          | <b>(4.3)</b>  | <b>(5.5)</b>       | <b>3.4</b>     | <b>8.5</b>   | <b>(6.5)</b>   |

Source: MST, TGN

# Executive Summary - The Tungsten Solution

Tungsten Mining (TGN) is in a unique position, advancing multiple tungsten development projects within a market where ex-China supply alternatives are rare. The Mt Mulgine Project in Western Australia is a large-scale, long-life, low-cost tungsten project which will also deliver significant molybdenum volumes. Hatches Creek in the Northern Territory is an earlier stage, smaller scale development, with an opportunity for early production from processing stockpiles ahead of developing the balance of the Resource. TGN's third project, Watershed in Queensland, is an advanced asset with existing Reserves and an opportunity to target a higher-grade development. Globally there are only a small number of tungsten projects advancing, even fewer at an advanced stage of development, and most are materially smaller scale than Mt Mulgine. This positions TGN as a key source of new supply in the tungsten market.

Tungsten is a particularly attractive critical mineral. In response to Chinese export controls, prices have recently reached record levels. Such controls are a major threat to the west given China represents 80% of mined tungsten supply and a higher share of downstream processing capacity. Ex-China producers are likely to be well supported as the west now seeks to secure supply chains in response to China's restrictions on supply.

TGN is bringing Mt Mulgine to market at a time when global tungsten supply is constrained, security of supply concerns are heightened, and the west is looking for solutions. Alongside its primary tungsten production, Mt Mulgine also offers meaningful exposure to molybdenum as a co-product (~19% of LOM revenue), adding a further critical mineral to the product suite. The valuation gap relative to peers is material, we expect this gap to narrow as TGN continues to advance its projects.

## Mt Mulgine Scoping Study - Highlights potential scale

TGN has recently released a Mt Mulgine Scoping Study. This highlights a large-scale, long-life, low-cost tungsten project with ability to expand over time. Key project parameters as outlined in the recent Scoping Study are summarised below:

- Mt Mulgine Tungsten Project
  - Resource: 259Mt at 0.11% WO<sub>3</sub>, 270ppm Mo, 0.12g/t Au, 5g/t Ag, and 0.03% Cu
  - 6Mtpa plant, scalable to 15Mtpa
  - Recoveries: 72.5% WO<sub>3</sub>, 70% Mo, 47% Au, 41% Ag, 62% Cu
  - 4,500tpa tungsten production, plus molybdenum (1,200tpa), gold (10,000ozpa), silver (500koz pa) and copper (1300tpa) by-products; separate tungsten, molybdenum and base/precious metals concentrates to be produced
  - Total pre-production capital costs A\$410m (incl 50% contingency)

Based on our estimate of operating costs, which are aligned with the +20% contingency costs in the scoping study, we estimate a Life-of-Mine (LOM) AISC of US\$14,600/t of tungsten equivalent payable production (US\$146/MTU). This would position Mt Mulgine very favourably relative to development peers and drives a strong margin position.

The study focused on a base case 6Mtpa scenario, it also incorporated economics around larger scale alternatives. The development is essentially modular, designed to be expandable in 3Mtpa trains. Development is being planned in such a manner that could facilitate expansion to 15Mtpa. Given the scale of the Mt Mulgine Resource and Exploration Target, we see a strong likelihood the project will ultimately be expanded beyond the initial 6Mtpa.

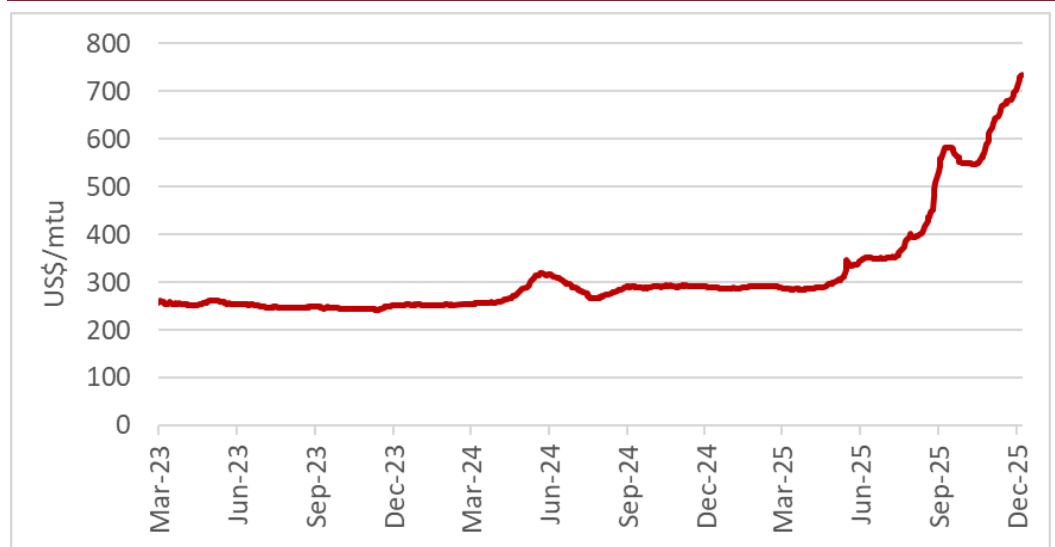
## Tungsten - A strategic critical mineral; China export cut drives record prices

The tungsten market has an elevated dependency on China, it accounts for over 80% of global mined supply and an even greater share of the critical midstream processing capacity and downstream production. The risks of this concentration of supply have now been brought into clear focus. The global tungsten market is transitioning from a commodity market where supply and demand has been driven by conventional factors to one where it is being more driven by geopolitical factors. This shift stems from the actions of China, which has moved to exert control over the supply chain. This has prompted an accelerated focus on security and diversification of supply by Western economies.

In Feb 2025, Beijing implemented a strict export licensing system for tungsten products, classifying the metal as a "dual-use" material. In practice, the new licensing requirements have resulted in exports dropping to almost zero, delivering a significant supply shock to the global market, with prices surging to all-time highs in response. This appears to be a deliberate strategic pivot by China to prioritise its own burgeoning high-technology industries and exert geopolitical leverage rather than a temporary move. At the same time, China has now transitioned to a net importer of tungsten concentrates, suggesting limitations to, or caps on, its domestic supply relative to demand. This adds further pressure to global tungsten availability.

Demand for tungsten remains robust, underpinned by a post-pandemic recovery in core industrial applications, with demand boosted by growth in high-value strategic applications. The transition to electric vehicles (EVs), rising global defence expenditures, and the expansion of aerospace, electronics, and renewable energy sectors are creating attractive long-term demand drivers. Tungsten's unique and often irreplaceable properties - extreme hardness, the highest melting point of any metal, and high density - make it indispensable for these advanced applications.

**Figure 2: Chinese Domestic APT (Ammonium Paratungstate) price US\$/mtu**



Source: FactSet

Globally there are a limited number of new tungsten mines emerging. Most are materially smaller scale than what TGN offers, and many are at a pre-scoping study level of assessment elevating the risk of these developments not progressing into production. With its Australian based, large-scale Resource, TGN is well positioned to benefit from supportive Australian and US government policy, adding further confidence to Mt Mulgine advancing into production.

### **Molybdenum co-product boosts critical minerals appeal**

Alongside primary tungsten production, Mt Mulgine hosts a meaningful molybdenum Resource which will be produced as a co-product. The molybdenum market is another China dominated space, with the country representing over 40% of both primary production and downstream smelting and refining. The key molybdenum end-use is as a steel-making alloy, this also positions China as the largest end market given its global steel market dominance. Like tungsten, molybdenum has a number of unique characteristics (extremely high melting point of 2623°C, and a low co-efficient of thermal expansion), which supports its use as a super-alloying agent adding strength and thermal resistance. The majority of molybdenum supply is as a by-product from copper production, making molybdenum supply inelastic relative to the molybdenum price (and more tied to the copper price). This by-product dynamic creates price volatility and means longer-term molybdenum supply is more tied to the copper outlook. It also means molybdenum supply sees similar grade decline characteristics and a lack of large-scale new supply as evident in copper markets. If copper deficits emerge, molybdenum deficits are likely to be even larger supporting longer term price dynamics. The Scoping Study estimates approximately 19% of Mt Mulgine revenue is to come from molybdenum, this revenue contribution would become even more meaningful under a higher priced environment.

## Valuation: Fully Funded NPV A\$0.67, Spot Price Valuation \$1.28

Our valuation is primarily driven by our NPV on Mt Mulgine. This has been estimated with capital and operating costs incorporating elevated contingencies above the scoping study base case estimates (+20% on opex, +50% on capex). We have incorporated funding into our valuation through an assumed sell down of a 30% stake in the project, done at a 40% discount to our valuation. This provides the equity capital for TGN, with the remaining project capital requirements to be debt funded. This results in project gearing of 55%. We exclude any potential value for the gold Resource.

We have applied a A\$500/t of Resource multiple to Hatches Creek and Watershed, this is at the upper end of the explorer/developer range but still a material discount to the producers, suggesting valuation upside as these projects advance.

There is clear upside to our valuation at either higher prices or larger volumes. Running spot prices sees our valuation lift to \$1.28, while if TGN were to ultimately deliver a 15Mtpa scenario, our valuation would lift to \$1.46. Combining spot prices and the expanded 15Mtpa production rate, our valuation would come to \$2.75

**TGN offers an attractive exposure to tungsten, with an appealing growth trajectory complemented by its significant molybdenum co-product. Given the limited western tungsten supply emerging, we see material strategic appeal in the TGN asset base. We anticipate value being delivered as the assets advance through studies, partnership discussions and funding.**

# Valuation: Fully Funded NPV of \$0.67

We have modelled the Mt Mulgine project and value this on an NPV basis. Relative to the base case scoping study estimates, we have used operating costs 20% higher and capital costs 50% higher in estimating our NPV. For Hatches Creek and Watershed, we have ascribed a conservative A\$/t valuation to the tungsten contained in Resource for these projects.

**Figure 3: Mt Mulgine Key Project Parameters - MSTe vs Scoping Study**

| Key Project Parameters          |          | SS-25  | MST    |
|---------------------------------|----------|--------|--------|
| Run-of-Mine (ROM) Tonnes        | Mt       | 136.0  | 144.9  |
| Mine Life                       | years    | 25     | 25     |
| ROM Processing                  | Mtpa     | 3      | 6      |
| Tungsten feed grade             | %        | 0.106% | 0.105% |
| Tungsten recovery               | %        | 73%    | 73%    |
| Total Capital Costs             | A\$m     | 274    | 410    |
| LOM AISC /t tungsten equivalent | US\$/t   |        | 14,564 |
| Tungsten price                  | US\$/mtu | 425    | 500    |
| AUD USD                         | AUD USD  | 0.65   | 0.65   |
| Discount rate (Post tax, real)  | %        | 8%     | 8%     |

Source: MST, TGN

We have addressed Mt Mulgine funding through assuming a project level sell down. We assume a 30% interest is sold at a price that reflects a 40% discount to our valuation. On our estimates, this would raise A\$187m which would cover the equity contribution for Mt Mulgine development, leaving the project 55% debt funded. This is a comfortable gearing level which is likely to be supported by government funding packages for critical minerals in our view. Our estimates exclude any benefit from any potential early-stage gold development. Our valuation is summarised below:

**Figure 4: TGN Valuation Summary**

| Valuation                                |             | A\$m         | A\$ps         |
|--|-------------|--------------|---------------|
| <b>Mt Mulgine</b>                        |             |              |               |
| Mt Mulgine Valuation (100%)              |             | 1036.3       |               |
| Mt Mulgine sell down %                   | 30%         |              |               |
| Discount to NPV for sell down            | 40%         |              |               |
| Capital Raised from Sell Down            | 187         |              |               |
| Total Project Capital Costs              | 410         |              |               |
| Implied Project Gearing                  | 55%         |              |               |
| NPV of TGN 70% Project Interest          |             | 725.4        | \$0.65        |
| <b>Hatches Creek</b>                     |             |              |               |
| Mineral Resource (kt tungsten)           | 20.9        |              |               |
| EV/t                                     | 500         |              |               |
| Hatches Creek valuation                  |             | 10.5         | \$0.01        |
| <b>Watershed</b>                         |             |              |               |
| Mineral Resource (kt tungsten)           | 70.0        |              |               |
| EV/T                                     | 500         |              |               |
| Watershed valuation                      |             | 35.0         | \$0.03        |
| Less: NPV Corporate Costs                |             | -32.0        | -\$0.03       |
| Add: Net Cash (as at 31 December 2025)   |             | 8.5          | \$0.01        |
| <b>TGN Equity Valuation</b>              |             | <b>747.4</b> | <b>\$0.67</b> |
| Current shares outstanding (m)           | 1117        |              |               |
| Outstanding options/perf rights (m)      | 0           |              |               |
| <b>Fully diluted shares on issue (m)</b> | <b>1117</b> |              |               |

Source: MST Estimates

## Valuation Sensitivities

Key valuation sensitivities are commodity price and currency assumptions. We show sensitivities to these factors below. Given the long mine life and modest upfront capital costs, capital cost sensitivities are relatively low.

Figure 5: Equity valuation sensitivities

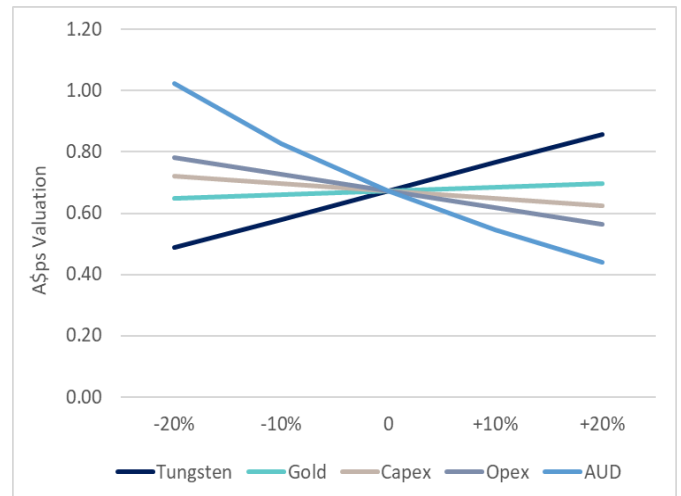
| Valuation |      | Tungsten APT |      | US\$/MTU |      |      |
|-----------|------|--------------|------|----------|------|------|
|           |      | 300          | 400  | 500      | 600  | 700  |
| Gold      | 2000 | 0.26         | 0.45 | 0.63     | 0.82 | 1.00 |
|           | 3000 | 0.30         | 0.49 | 0.67     | 0.86 | 1.04 |
| US\$/oz   | 4000 | 0.34         | 0.53 | 0.71     | 0.90 | 1.09 |
|           | 5000 | 0.38         | 0.57 | 0.75     | 0.94 | 1.13 |
|           |      |              |      |          |      |      |

| Valuation        |      | Project capex sensitivity |      |      |      |      |
|------------------|------|---------------------------|------|------|------|------|
|                  |      | -20%                      | -10% | 0%   | 10%  | 20%  |
| Opex Sensitivity | -20% | 0.83                      | 0.81 | 0.78 | 0.76 | 0.73 |
|                  | -10% | 0.78                      | 0.75 | 0.73 | 0.70 | 0.68 |
|                  | 0%   | 0.72                      | 0.70 | 0.67 | 0.65 | 0.62 |
|                  | 10%  | 0.67                      | 0.64 | 0.62 | 0.59 | 0.57 |
|                  | 20%  | 0.61                      | 0.59 | 0.56 | 0.54 | 0.51 |

Source: MST

Figure 6: Project level NPV sensitivities



Source: MST

## Material upside from spot prices and expansion case

### Spot price scenario - \$1.28

Spot commodity prices are well above our estimates - tungsten at US\$770/mtu vs our US\$500/mtu, gold at US\$4200/oz vs our US\$3000/oz, and molybdenum at US\$28/lb vs US\$20/lb. **At spot commodity prices our valuation would approximately double to A\$1.28/share.** Spot commodity prices would materially lift annual steady state post tax cash flows from ~A\$170m to \$290m.

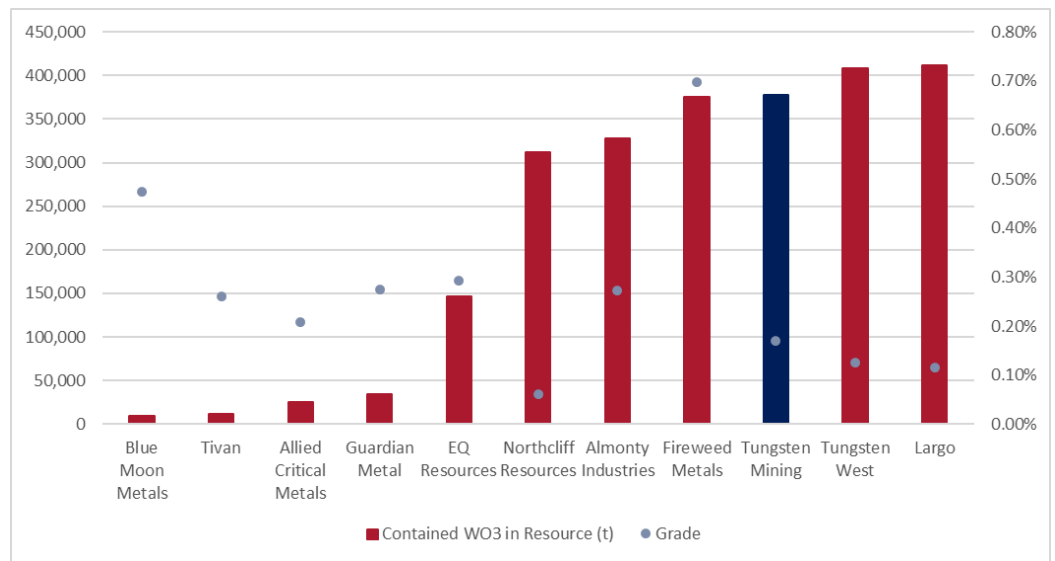
### Expansion case - \$1.46

TGN has laid out a development pathway that incorporates base case production of 6Mtpa. The project is being developed in a modular fashion, supporting potential future expansion. With a 247Mtpa Resource and up to an additional 200Mt in the Exploration Target, the project is easily capable of supporting a larger scale than 6Mtpa. **The largest rate of production assessed in the scoping study was 15Mtpa. If we run this production rate, we estimate a fully funded NPV of A\$1.46 at our forecast commodity prices, this lifts to \$2.75 at spot commodity prices.** Our methodology for these scenarios is consistent with our base case which incorporates a sell down to cover project level equity funding, and the 50% contingency capex scenario from the scoping study.

## Peer Comparisons

The universe of tungsten peers is far more limited than more traditional base or precious metals. There is a very small number of western producers and developers so peer comparisons are relatively limited. Nevertheless, it is clear that TGN stands out for the scale of its Resource compared to peers.

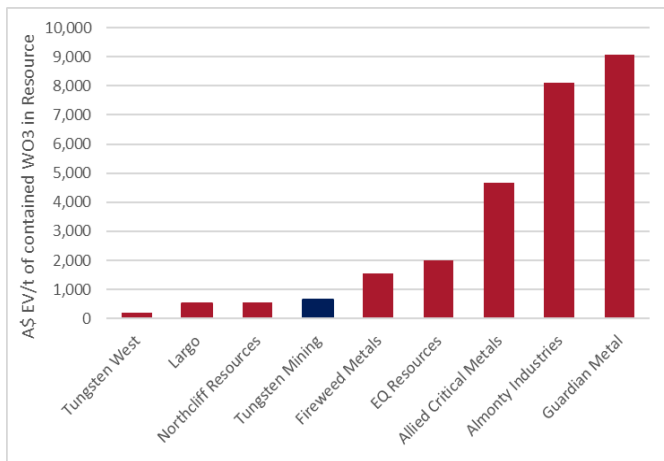
**Figure 7: Global Tungsten Peer Companies - Grade vs Scale**



Source: MST

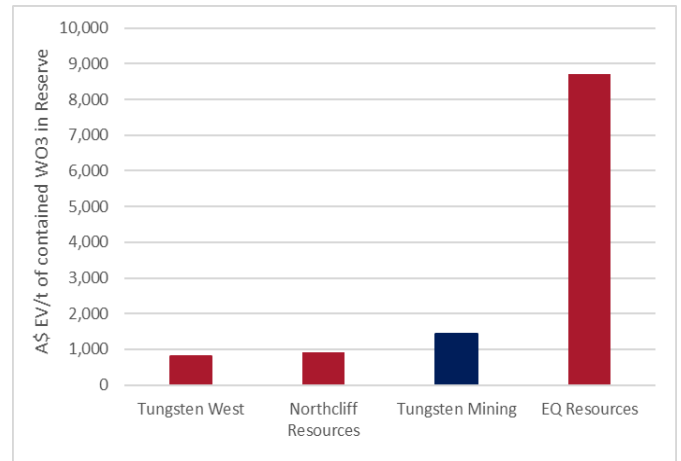
We assess the EV/t of contained tungsten in Resource and Reserve across listed tungsten companies below. US based Guardian Metals and Almonty are valued at significant premiums to the rest of the sector. The Guardian Metal Resource is relatively small (34kt) and the project is early stage (no studies completed as yet) highlighting premium valuations for any asset in the US. Almonty is currently a small-scale producer (~588t in 2025) from its Panasqueira mine in Spain, but is set to expand materially with the large-scale (4ktpa), high-grade (0.42% WO3) Sangdong operation currently commissioning in South Korea. It also has a significant development pipeline with expansions planned at Panasqueira and additional development projects in Spain. We have excluded Almonty from the EV/t of Reserve chart as the multiple is particularly elevated at ~6x that of Australian producer EQ Resources.

**Figure 8: EV/t of Resource**



Source: FactSet, MST

**Figure 9: EV/t of Reserve**



Source: FactSet, MST (chart excludes Almonty on A\$63,000/t of Reserve)

Across all projects, TGN's Mt Mulgine holds one of the largest Resource bases in the industry. Grade is not high, however, it is comparable to other large-scale peers, and this ignores any potential benefit from the surface gold if developed.

## Key catalysts

- **Pre-Feasibility Study:** With the recent Scoping Study highlighting a range of development options for Mt Mulgine around a base case of 6Mtpa, refining the scope and development path of the project will be a key next step. This is likely to be addressed through the PFS phase which is expected to be complete by Q2 2026. Ahead of PFS completion, we anticipate updates related to metallurgical test work and flowsheet optimisation.
- **Mt Mulgine Resource growth:** Mt Mulgine remains open along strike and at depth. The recently reported Exploration Target captures potential upside from the depth extensions (from 250m to 350m) as well as strike extensions. Drilling in the first half of 2026 is going to test the depth extensions with a view to bringing a component of this Exploration Target into Resource in order to ultimately support larger scale or longer life project development.
- **Strategic Partnerships:** With tungsten a particularly in-demand critical mineral, there is potential for strategic partnerships to be developed with those seeking ex-China supply. This could be from industry or potentially also with governments or through government support. Any developments here would validate the projects and be a key marker of the strategic importance of the TGN asset base.
- **Downstream development:** With its large-scale production base, TGN may look to assess downstream opportunities such as APT or ferrotungsten production. These would enhance value creation, build domestic processing capability and strengthen broader supply chain security, which would also serve to increase the strategic appeal of the TGN asset base.

## Key Risks

- **Commodity prices:** As with all mining stocks, TGN is exposed to commodity price volatility. For TGN this is primarily going to be tied to tungsten. Molybdenum, gold, copper, and silver are also relevant as co-products from the tungsten operation, however, these are all smaller exposures.
- **Project Funding:** As a development company, TGN is not generating any cash flow so will remain reliant on external funding to develop its projects. If such funding becomes challenging to secure, TGN will not be able to advance its assets in a timely manner. This would be likely to impact value.
- **Project Development Risks:** TGN is exposed to typical development risks around timing and costs. As studies advance there is a risk capital costs increase, while timeframes to complete planned study programs can also extend. Delays or cost increases would negatively impact valuation.
- **Technical Risks:** Studies are at a relatively early stage for Mt Mulgine, ongoing test-work and studies will continue to refine the mining and processing development plan. There remains the risk of further challenges being identified which can impact capital and/or operating costs for the project.
- **Approvals:** While Mt Mulgine is on an approved Mining Lease, it still requires regulatory environmental approvals and licensing (in particular water licenses). While the pathway here is well understood, there remains risk around grant of such approvals, as well as the timeframes or concessions required in order to receive them.
- **Geopolitical changes:** If trade tensions ease or China reverses its tungsten export restrictions, the drive to secure alternative supply chains may ease. We are of the view that the events of 2024/2025 have highlighted the risks of reliance on China, and the west now must address these regardless of whether the restrictions are reversed or not. Nevertheless, any changes would likely impact market sentiment.

# Balance Sheet, Funding, Share Register

TGN is well funded following a A\$9.5m placement in September 2025 which added to the A\$2.5m June 30, 2025 cash balance. The placement was undertaken at \$0.067 per share, issuing 141.7m new shares. The funds will support development activities for the Mt Mulgine project including metallurgical testing, mine planning, and engineering studies.

Prior to the latest capital raising, the company had raised \$4.5m via a convertible note issuance in December 2024. The notes had an interest rate of 10% and a 12-month maturity (17 Dec 2025). At the election of the noteholder, the notes could convert into shares ahead of their maturity at a conversion price of \$0.055 per share; any notes not converted by the maturity date were to be repaid in cash. A small portion of the notes (\$300,000 worth) were converted earlier in 2025, and TGN has announced that the balance were converted in December. In total, this has resulted in the issuance of 77.3m shares, with 76.4m of this related to the December conversion. There were two primary note holders, Far East Minerals (with 47% of the notes) and Casaviva Investments (39%).

## Potential for Government funding is high

TGN has been successful in securing government funding under the Critical Minerals Development Program (CMDP). The program provided a total of A\$50m to 13 projects to support the development of critical minerals projects, with funds able to be applied to feasibility studies, engineering and design work, metallurgical test work and pilot or demonstration facilities. TGN was awarded a A\$1m CMDP grant in May 2023, with the funds to support development of Mt Mulgine. An initial A\$360,000 tranche was drawn in June 2023, with a further A\$540,000 drawn in Feb 2024. The \$100,000 balance is available until March 2026. Funding has been primarily used for metallurgical testing of Mt Mulgine ore.

Tungsten is recognised as a critical mineral by both the US and Australia, with it being in the top 10 (out of 54) on the 2025 US Critical Minerals List (the balance of the top ten being rare earths, niobium and rhodium). Australia is recognised as having a material tungsten resource (second largest globally), however, production is low, while the US lacks any material domestic tungsten Resource. With the recently announced US\$8.5b in funding slated to support development of critical minerals supply chains, we would anticipate bi-lateral US/Australian support for Australian tungsten production. The US does have downstream tungsten processing capacity, but has very limited capacity to produce intermediate products such as tungsten concentrate or APT. This positions Australian operations such as Mt Mulgine as able to fill this missing link in the supply chain for US domestic tungsten production.

Recent examples of the US offering support to international tungsten operations include the August 2025 announcement of US EXIM providing a US\$95m funding letter of interest for UK listed Tungsten West to support restart of the Hemerdon operation in the UK. The US DoD has also provided grants under the Defense Production Act Title III program to expand domestic tungsten production capacity - Canadian listed Northcliffe Resource received US\$15m to support its Sisson Tungsten-Molybdenum Project in New Brunswick, Canada, and Canadian listed Fireweed Metals Corp received US\$15.8m to advance its Mactung Tungsten Project in the Yukon, Canada.

## Full range of project funding options on the table

With 100% ownership of its key projects, an unencumbered balance sheet, and no offtake commitments in place, TGN retains full flexibility on the funding pathway ahead for Mt Mulgine and Hatches Creek. We anticipate strong strategic interest, as well as support from offtakers and end-users. Typical project finance options remain available, while government funding is also a likely avenue of support, including from programs such as the A\$4b Critical Minerals Facility. This facility has supported Iluka (A\$1.25b for Eneabba), Alpha HPA (A\$200m for High Purity Alumina, with a matching debt funding contribution from the North Australian Infrastructure Fund), and Renascor (A\$185m for the Siviour Graphite Project).

## Share register

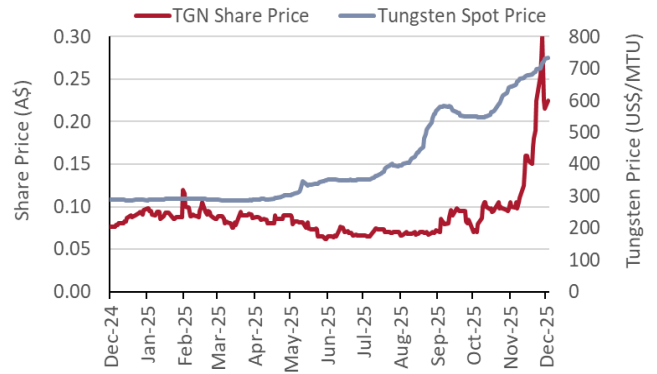
ASX listed GWR Group has 177.5m shares, for an interest of 15.9%, with this interest secured through vending Hatches Creek to TGN. There are no other substantial shareholders on the register.

Figure 10: TGN share price and volume history



Source: MST, Factset

Figure 11: TGN Share Price vs Chinese APT Price



Source: MST, Factset, SMM

We note that TGN has recently commenced a dual listing on the US OTC market. With limited ways to gain exposure to tungsten globally, this is designed to broaden the potential investor base for TGN.

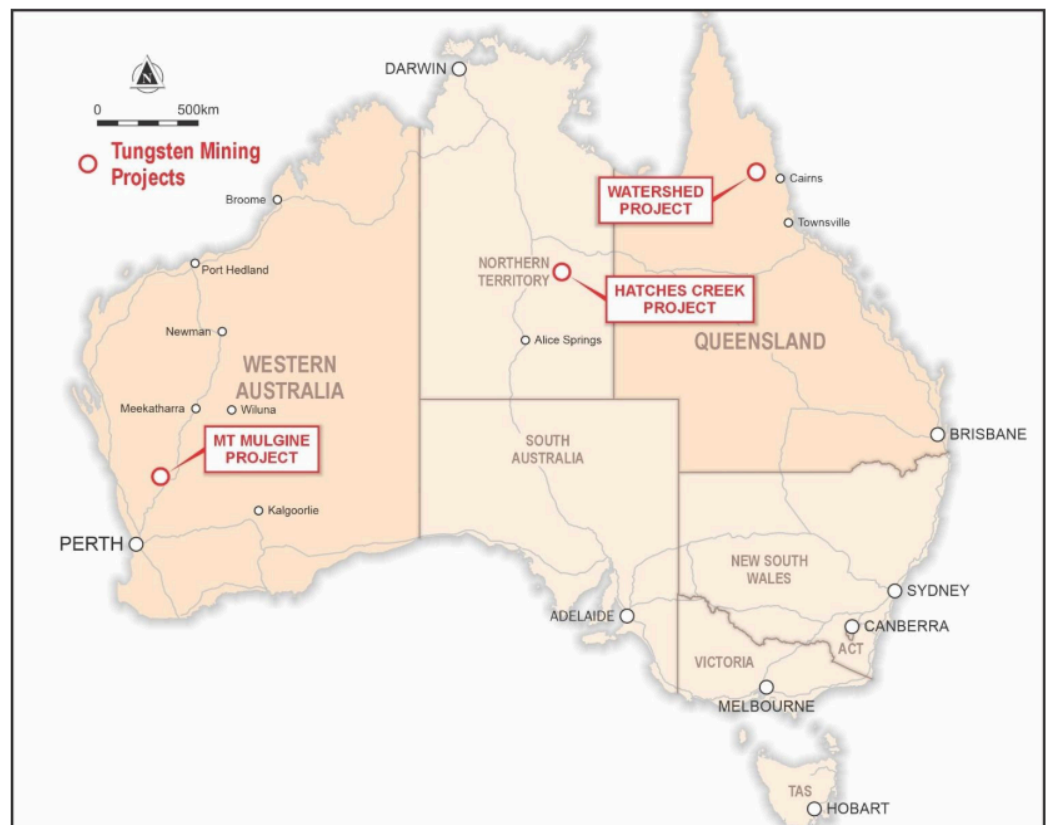
# Mt Mulgine Tungsten Project

The Mt Mulgine project is located in the Murchison Region of Western Australia, approximately 330km north-northeast of Perth. TGN initially acquired tungsten and molybdenum rights at Mt Mulgine in 2015, purchasing them off Minjar Gold Pty Ltd for A\$1.2m. In December 2024, TGN acquired full rights over all project assets for A\$3.3m in cash and assumption of approximately A\$6m in environmental liabilities.

Once full rights to the project were secured, TGN was able to consider incorporating the near-surface gold into any development pathway. This allows for extraction of the oxide gold from the overburden of the primary tungsten deposit, potentially offsetting pre-strip costs and generating cash flow to support development of the larger-scale, long-life tungsten operation. This opportunity is still in early stages of assessment and for now the primary focus remains the tungsten development.

Mt Mulgine is an historic mining operation. The most recent operation was under Minjar Gold in the 2010's, Minjar mined Mt Mulgine ore and then had it processed at the nearby Golden Dragon mill, now owned by Warriedar Resources. While gold is no longer the primary focus under TGN, the company will continue to assess opportunities to extract value from the Mt Mulgine gold mineralisation during operations.

**Figure 12: Project Location**



Source: TGN Announcement.

## Geology

The mineralisation at Mt Mulgine is situated within the Archean Yalgoo-Singleton Greenstone Belt of the Murchison Domain, which is part of the Youanmi Terrane of the Yilgarn Craton. The local mineralisation is associated with intense hydrothermal alteration related to the intrusion of the Mulgine Granite. This alteration includes greisenisation and quartz veining of the granite, along with widespread pervasive phlogopite alteration and sulphidation on the northern and northwestern flanks of the granite.

Mt Mulgine hosts an Archean porphyry tungsten-molybdenum-gold-silver polymetallic system. At the Mulgine Trench deposit, tungsten-molybdenum mineralisation is associated with altered and quartz veined mafic and ultramafic units. The system forms a large, low-grade multi-metallic resource associated with a stockwork vein system. This mineralised horizon is a significant structure, measuring 160 metres to 260 metres thick, extending over 1.4 kilometres of strike, and dipping shallowly ( $25^{\circ}$  to  $40^{\circ}$ ) towards the northwest.

Tungsten mineralisation is typically associated with 5mm to 100mm thick white to grey quartz veins. Scheelite is the dominant tungsten-bearing mineral, presenting as a blend of fine and coarse-grained particles that tend to aggregate where significant alteration occurs. Scheelite is predominantly enclosed by or in contact with mica or quartz and is present in all rock types. Molybdenite often occurs as flakes on boundaries between different rock types and can be finely disseminated or occur in local clusters. The deposit also contains economic quantities of copper (as chalcopyrite), gold, and silver.

## Resource and Reserve

The current Mt Mulgine tungsten resource was reported in May 2020. It came following an extensive 280 hole, 48,000m TGN drill program which supported a 131% increase in contained tungsten relative to the prior November 2014 estimate. This TGN drilling built on historic drilling total 1027 holes for 49,000m. Total drilling at Mulgine Trench since the 1960's comes to 1,427 holes for 112,938m. The total tungsten Resource stands at 259Mt at 0.11% WO3 for 290kt of contained tungsten.

**Figure 13: Mt Mulgine Tungsten Mineral Resource Estimate (0.05% WO3 cut-off grade)**

| CLASS                            | Mt          | WO3         | WO3        | Mo         | Mo         | Au          | Au           | Ag       | Ag        | Cu          | Cu        |
|----------------------------------|-------------|-------------|------------|------------|------------|-------------|--------------|----------|-----------|-------------|-----------|
|                                  |             | (%)         | (Kt)       | (ppm)      | (Kt)       | (g/t)       | (Koz)        | (g/t)    | (Moz)     | (%)         | (Kt)      |
| <b>Mulgine Trench (May 2020)</b> |             |             |            |            |            |             |              |          |           |             |           |
| Indicated                        | 175         | 0.11        | 190        | 290        | 51         | 0.14        | 770          | 6        | 32        | 0.04        | 69        |
| Inferred                         | 72          | 0.11        | 80         | 250        | 18         | 0.10        | 230          | 5        | 12        | 0.03        | 24        |
| <b>Total</b>                     | <b>247</b>  | <b>0.11</b> | <b>270</b> | <b>280</b> | <b>69</b>  | <b>0.13</b> | <b>1,000</b> | <b>6</b> | <b>44</b> | <b>0.04</b> | <b>92</b> |
| <b>Mulgine Hill (April 2019)</b> |             |             |            |            |            |             |              |          |           |             |           |
| Indicated                        | 8.3         | 0.18        | 15         | 128        | 1.1        |             |              |          |           |             |           |
| Inferred                         | 4.0         | 0.12        | 4.8        | 118        | 0.5        |             |              |          |           |             |           |
| <b>Total</b>                     | <b>12.3</b> | <b>0.16</b> | <b>20</b>  | <b>125</b> | <b>1.5</b> |             |              |          |           |             |           |
| <b>Mt Mulgine (TOTAL)</b>        |             |             |            |            |            |             |              |          |           |             |           |
| Indicated                        | 183         | 0.11        | 205        | 290        | 52         | 0.13        | 770          | 5        | 32        | 0.04        | 69        |
| Inferred                         | 76          | 0.11        | 85         | 240        | 18         | 0.09        | 230          | 5        | 12        | 0.03        | 24        |
| <b>Total</b>                     | <b>259</b>  | <b>0.11</b> | <b>290</b> | <b>270</b> | <b>71</b>  | <b>0.12</b> | <b>1,000</b> | <b>5</b> | <b>44</b> | <b>0.03</b> | <b>92</b> |

Source: TGN

A PFS announced in 2021 supported the release of a maiden Ore Reserve at Mt Mulgine. This followed detailed metallurgical testing. The PFS at this time incorporated a relatively complex flowsheet (ore sorters, sequential flotation, multi-stage tabling, magnetic separation and further flotation). Following additional metallurgical test work, supported by the Critical Minerals Development Grant, TGN has now simplified and enhanced the flow sheet as reflected in its Oct 2025 Scoping Study. In particular, it has removed ore sorting and incorporated spiral based gravity separation. We expect an update to the Reserve post completion of the PFS in 2026.

**Figure 14: Mt Mulgine Ore Reserve Estimate (cut-off grade of 0.074% WO3)**

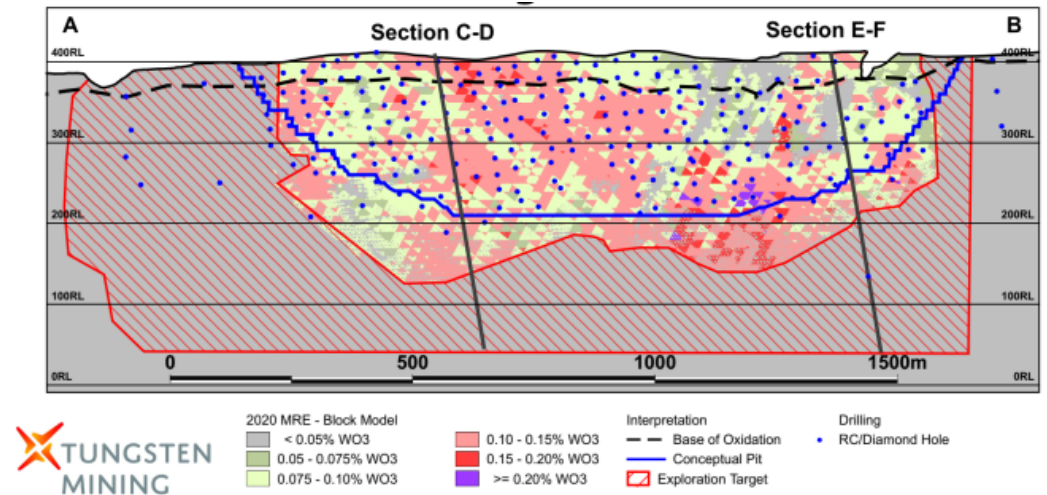
| Reserve Category          | Tonnes     | Grade WO3   | Grade Mo   | Grade Au    | Grade Ag   | Grade Cu    |
|---------------------------|------------|-------------|------------|-------------|------------|-------------|
|                           | (Mt)       | (%)         | (ppm)      | (g/t)       | (g/t)      | (%)         |
| <b>Mulgine Trench</b>     |            |             |            |             |            |             |
| Proved                    | -          | -           | -          | -           | -          | -           |
| Provable                  | 135        | 0.10        | 293        | 0.12        | 6.1        | 0.04        |
| <b>Total</b>              | <b>135</b> | <b>0.10</b> | <b>293</b> | <b>0.12</b> | <b>6.1</b> | <b>0.04</b> |
| <b>Mulgine Hill</b>       |            |             |            |             |            |             |
| Proved                    | -          | -           | -          | -           | -          | -           |
| Provable                  | 5          | 0.21        | 134        | -           | -          | -           |
| <b>Total</b>              | <b>5</b>   | <b>0.21</b> | <b>134</b> | <b>-</b>    | <b>-</b>   | <b>-</b>    |
| <b>Mt Mulgine Project</b> |            |             |            |             |            |             |
| Proved                    | -          | -           | -          | -           | -          | -           |
| Provable                  | 140        | 0.10        | 288        | 0.12        | 5.9        | 0.03        |
| <b>Total</b>              | <b>140</b> | <b>0.10</b> | <b>288</b> | <b>0.12</b> | <b>5.9</b> | <b>0.03</b> |

Source: TGN

## Exploration Target highlights potential Resource upside

While the Resource base at Mt Mulgine is already significant, the release in November 2025 of a JORC compliant Exploration Target, highlights the scale may extend well beyond the current Resource. The target captures potential depth extensions and strike extensions to the south, these target areas are supported by drilling, with additional definition required to potentially bring it into Resource. With regard to depth, the current Resource goes down to a maximum depth of approximately 250m, the Exploration Target captures material down to 350m.

Figure 15: Mt Mulgine Exploration Target - Depth and strike extension potential



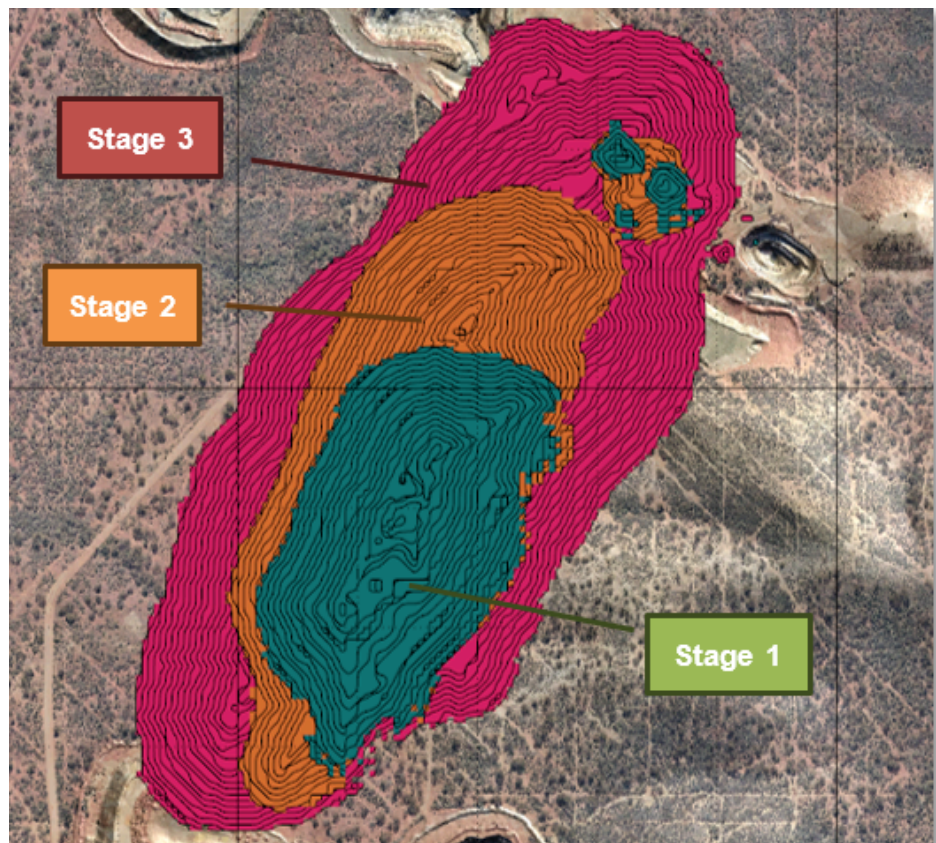
Source: TGN

In total the Exploration Target stands at 165 to 200Mt at a grade of 0.10–0.12% WO<sub>3</sub> and 180–220ppm Mo, containing 165 – 240kt of tungsten and 30 – 36kt of molybdenum. Drilling in H1 2026 is set to test the depth extension component of the Exploration Target, potentially bringing a component of this into the Resource.

### Mining Methods

The Mulgine Trench deposit is well-suited to open pit mining due to its large, relatively homogeneous orebody with a low strip ratio of approximately 0.8:1 (waste:ore). The project will utilise conventional drill-and-blast and load-and-haul methods via contract mining. This is considered a lower risk and lower capital cost option compared to owner-operated mining.

Figure 16: Mulgine Trench Pit - Stages 1 to 3



Source: TGN



5. **Low intensity magnetic separation (LIMS)** to remove magnetic minerals from BSF tails
6. **Tungsten cleaning circuit** comprising secondary gravity (spirals and tables) followed by scheelite flotation to produce final tungsten concentrate
7. **Sequential sulfide flotation** to separate molybdenum and copper-gold-silver concentrates from the BSF concentrate

The plant will produce three separate concentrates:

- Scheelite concentrate: 50% WO<sub>3</sub> grade at 72.5% recovery
- Molybdenum concentrate: 50% Mo grade at 70% recovery
- Base metals concentrate: 22-23% Cu, 52.2 g/t Au, 2,918 g/t Ag with recoveries of 62% for Cu, 41% for Au, and 47% for Ag

The metallurgical testwork program has been extensive, including the 2021 PFS program and the ongoing 2024-2025 process flowsheet program. Further variability and bulk testwork programs are planned to validate the flowsheet across all major lithologies and weathering zones.

A dedicated TSF will be built for the operation designed to support a 6Mtpa operation over the 23yr planned life. Waste rock will be utilised in the construction of the tailings dam, with construction staged over the life of the mine.

## Infrastructure and Logistics

Infrastructure solutions will be designed to support the 6Mtpa development pathway, key elements are outlined below

- **Power:** The proposed power strategy assumes gas-fired power generation supported by lower-capacity diesel generation, with potential to be supplemented by renewable energy sources (potential solar solution). The design will incorporate expandability to allow for additional thermal engines, battery containers, solar and/or wind generation. Contract options with lower capital will be assessed to determine lowest case levelised cost of energy.
- **Water:** Water requirements are estimated at 0.4-0.6 GL/Mtpa, requiring 2.4-3.6 GL/annum for a 6 Mtpa operation. Water sources will include:
  - Mine dewatering (0.7-1.6 GL/annum expected from Year 3 onwards)
  - On-tenure fractured rock aquifer systems (limited capacity <1 GL/annum)
  - Off-tenure palaeochannel systems within 30 km
  - Regional basin system allocations

Water supply is a key focus for the project development with field programs planned for both on-tenure and off-tenure water exploration, including drilling investigation holes, production bores, and hydraulic testing to support hydrogeological assessments required for water licence applications.

- **Concentrate Transport:** The project benefits from established regional transportation infrastructure, with road access via the Great Northern Highway or Mullewa-Wubin Road to the town of Perenjori. From Perenjori, site access is via the Perenjori-Rothsay and Warriedar Copper Mine public roads. Concentrate is planned to be trucked approximately 300km on existing roads to Geraldton Port for export, with capital costs including the construction of a 10km road from the Warriedar Copper Mine Road to site. The site is also directly accessible from Perth, approximately 350km away on established roads.

## Operating Costs

Total operating costs are reported across a range of production scales, with economies of scale seeing unit costs lower as the operation expands. At the 6Mtpa base case rate of initial production, the scoping study indicates a unit cost of A\$25.4/t mined, or A\$30.8/t once a 20% contingency is applied. Incorporating the 20% contingency and the estimates of grade and recovery in the scoping study this equates to US\$25,900/t of tungsten in concentrate. This ignores the value of the molybdenum, copper and precious metals co-products, if we convert these to tungsten equivalent production units, we estimate a unit cost for tungsten equivalent metal of US\$14,600/t. This is particularly low given the meaningful contribution to revenue (42%) from the non-tungsten metals (19% molybdenum, 23%, copper, gold silver), and positions TGN favourably relative to tungsten development peers. We base our financial forecasts on the 20% contingency operating cost estimate.

The breakdown in unit costs from the Scoping Study is shown below.

**Figure 18: Unit cost summary A\$/t of ore processed - Base case 6Mtpa and scenarios**

| Operating Costs                          | Scale          |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | 3 Mtpa         | 6 Mtpa         | 12 Mtpa        | 15 Mtpa        |
| Crushing                                 | \$1.70         | \$1.50         | \$1.30         | \$1.20         |
| Processing Plant                         | \$13.90        | \$13.70        | \$13.50        | \$13.80        |
| Tailings Disposal                        | \$0.80         | \$1.30         | \$1.00         | \$0.90         |
| Labour & Personnel                       | \$9.20         | \$6.10         | \$4.20         | \$3.70         |
| Mobile Equipment                         | \$0.70         | \$0.60         | \$0.40         | \$0.40         |
| NPI                                      | \$0.30         | \$0.30         | \$0.20         | \$0.20         |
| Camp & Accommodation                     | \$1.30         | \$1.30         | \$1.00         | \$0.80         |
| Admin                                    | \$0.70         | \$0.50         | \$0.40         | \$0.40         |
| Concentrate Transport                    | \$0.20         | \$0.20         | \$0.20         | \$0.20         |
| <b>Costs per tonne - 0% Contingency</b>  | <b>\$28.80</b> | <b>\$25.40</b> | <b>\$22.20</b> | <b>\$21.60</b> |
| <b>Costs per tonne - 10% Contingency</b> | <b>\$33.00</b> | <b>\$28.30</b> | <b>\$24.40</b> | <b>\$24.00</b> |
| <b>Costs per tonne - 20% Contingency</b> | <b>\$35.90</b> | <b>\$30.80</b> | <b>\$26.60</b> | <b>\$26.20</b> |

Source: TGN

The estimate is considered a Class 4 / 5 standard, reflecting the Scoping Study level. This provides for an accuracy range of +/-50%. The operating cost estimates were built bottom up from first principles based on engineered design work across all aspects of the operation.

### Capital Costs

Similar to the operating costs, the Scoping Study has estimated capital costs across a range of development scales. At the base case 6Mtpa rate of production, capital costs come to A\$342m, prior to inclusion of contingency. TGN has adopted a 50% and 75% contingency in its Scoping Study, which would lift capex to A\$410m and A\$479m respectively. In our modelling, we have adopted the 50% contingency estimates. As with the operating costs, capital costs are prepared to a class 4/5 standard with +/-50% accuracy.

The estimate is based on benchmark data, vendor budget quotations, internal databases from comparable projects, and factored costs for earthworks, concrete, steelwork, mechanical bulks, piping, and electrical/instrumentation. Capital costs include first-fills of consumables and initial operating spares. The bulk of the capital costs is in the processing plant (approximately 52% of the direct costs), in particular the comminution circuits, so having quotes on these items should support greater estimate accuracy.

**Figure 19: Scoping Study Capital Cost Scenarios (A\$m) - 6Mtpa Base Case**

|                                  | Scale           |                 |                 |                 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                  | 3 Mtpa          | 6 Mtpa          | 12 Mtpa         | 15 Mtpa         |
| <b>Direct Costs</b>              | <b>\$138.90</b> | <b>\$210.50</b> | <b>\$319.00</b> | <b>\$364.70</b> |
| Process Plant                    | \$70.10         |                 |                 |                 |
| Process Infrastructure           | \$23.40         |                 |                 |                 |
| Non-Process Infrastructure (NPI) | \$8.10          |                 |                 |                 |
| Camp                             | \$11.60         |                 |                 |                 |
| Site Infrastructure              | \$8.00          |                 |                 |                 |
| Mining Infrastructure            | \$6.60          |                 |                 |                 |
| TSF                              | \$11.00         |                 |                 |                 |
| <b>Indirect Costs</b>            | <b>\$41.70</b>  | <b>\$63.10</b>  | <b>\$95.70</b>  | <b>\$109.40</b> |
| Owner's Cost                     | \$13.90         | \$21.00         | \$31.90         | \$36.50         |
| EPCM Costs                       | \$27.80         | \$42.10         | \$63.80         | \$72.90         |
|                                  |                 |                 |                 |                 |
| <b>25% Contingency</b>           | <b>\$45.10</b>  | <b>\$68.40</b>  | <b>\$103.70</b> | <b>\$118.50</b> |
| <b>Total CAPEX Costs</b>         | <b>\$225.60</b> | <b>\$342.00</b> | <b>\$518.40</b> | <b>\$592.70</b> |
|                                  |                 |                 |                 |                 |
| <b>50% Contingency</b>           | <b>\$90.30</b>  | <b>\$136.80</b> | <b>\$207.40</b> | <b>\$237.10</b> |
| <b>Total CAPEX Costs</b>         | <b>\$270.80</b> | <b>\$410.40</b> | <b>\$622.10</b> | <b>\$711.20</b> |
|                                  |                 |                 |                 |                 |
| <b>75% Contingency</b>           | <b>\$135.40</b> | <b>\$205.20</b> | <b>\$311.00</b> | <b>\$355.60</b> |
| <b>Total CAPEX Costs</b>         | <b>\$315.90</b> | <b>\$478.80</b> | <b>\$725.80</b> | <b>\$829.70</b> |

Source: TGN

The capital costs also reflect a full owner - operator model. The opportunity to reduce capex by leasing or contracting elements of the operation including the crushing circuit, the power supply, the accommodation camp and other mining infrastructure will be assessed in more detail in future studies. This will come with increased operating costs, but will reduce upfront funding requirements.

## Approvals

TGN is currently working through the Mt Mulgine approvals process. The project is located on a granted Mining Lease. Given the change in scope associated with TGN's Mt Mulgine plan relative to this historically approved operation (which was smaller scale gold mining), there would likely need to be amendments to the existing ML approvals, however, being on an existing Mining Lease does suggest the likelihood of any major approvals problems for a new mine is limited. The key approval requirements going forward will be the environmental approvals, key considerations here include:

### Federal Level:

- EPBC Act referral and assessment may be required due to the presence of two nationally vulnerable species (Malleefowl and Western Spiny-tailed Skink).

### State Level - Environmental Protection Act 1986:

- Potential for a full Environmental Impact Assessment (this will be determined by EPA)
- If the full EIA is not required, three alternative approvals will be required:
  - Native Vegetation Clearing Permit
  - Works Approval
  - Prescribed Premises Licence
  - Licence to Take (under Biodiversity Conservation Act) likely required for the native Acacia species in the project area

The project will also require a standard Mine Development and Closure Proposal (MDCP) submission to Department of Mines, Petroleum and Exploration as well as water licenses.

Key workstreams currently progressing in support of the approvals process include:

- Environmental Baseline Studies: Completion of seasonal fauna surveys and regional vegetation surveys. Targeted Short Range Endemic (SRE) surveys are ongoing.
- Water Management: Mine dewatering assessment and water supply investigation have commenced or are completed.
- Land Management: Developing a strategy to maintain a sustainable acacia population.\
- Heritage/Stakeholder Engagement: Ongoing engagement with relevant stakeholders, knowledge holders, and traditional owner groups. Planned Aboriginal Heritage Surveys are scheduled for the mining area.

## Next Steps - Advancing through studies

Based on the positive Scoping Study outcomes, TGN will now commence a Pre-Feasibility Study (PFS) targeting completion in Q2 2026. This will then be followed by a Definitive Feasibility Study (DFS) targeted for completion in H2 2027. The development timeline anticipates FID in Q4 2027, it incorporates an 18-month period for detailed engineering, procurement, and construction. This positions the project for first production in 2029.

Figure 20: Mt Mugline Development Timeline

| 2025   |     | 2026 |     |    |    | 2027 |     |   |                       | 2028 |    |    |    | 2029       |    |    |    |  |
|--|-----|------|-----|----|----|------|-----|---|-----------------------|------|----|----|----|------------|----|----|----|--|
| Q3   | Q4  | Q1   | Q2  | Q3 | Q4 | Q1   | Q2  | Q3                                      | Q4                    | Q1   | Q2 | Q3 | Q4 | Q1         | Q2 | Q3 | Q4 |  |
| Scoping Study                                    | PFS |      | DFS |    |    |      | FID | Engineering, Procurement & Construction |                       |      |    |    |    | Production |    |    |    |  |
| Approval Submissions and Supporting Project Work |     |      |     |    |    |      |     |   | Pre-Production Mining |      |    |    |    |            |    |    |    |  |

Source: TGN

**PFS Work Program:** The next phase of studies will advance all aspects of project assessment and design, work to be undertaken for the PFS include:

- Process engineering and plant design for the 6Mtpa development case
- Detailed assessment of non-process infrastructure requirements
- Power supply assessment and strategy study
- Early contractor engagement for construction and operations
- Tailings storage facility design advancement
- Mining study including pit optimisations, detailed pit designs, and refined mine schedules
- Capital and operating cost estimates to AACE Class 3/4 accuracy
- Market and product assessment
- Risk register development and project scheduling

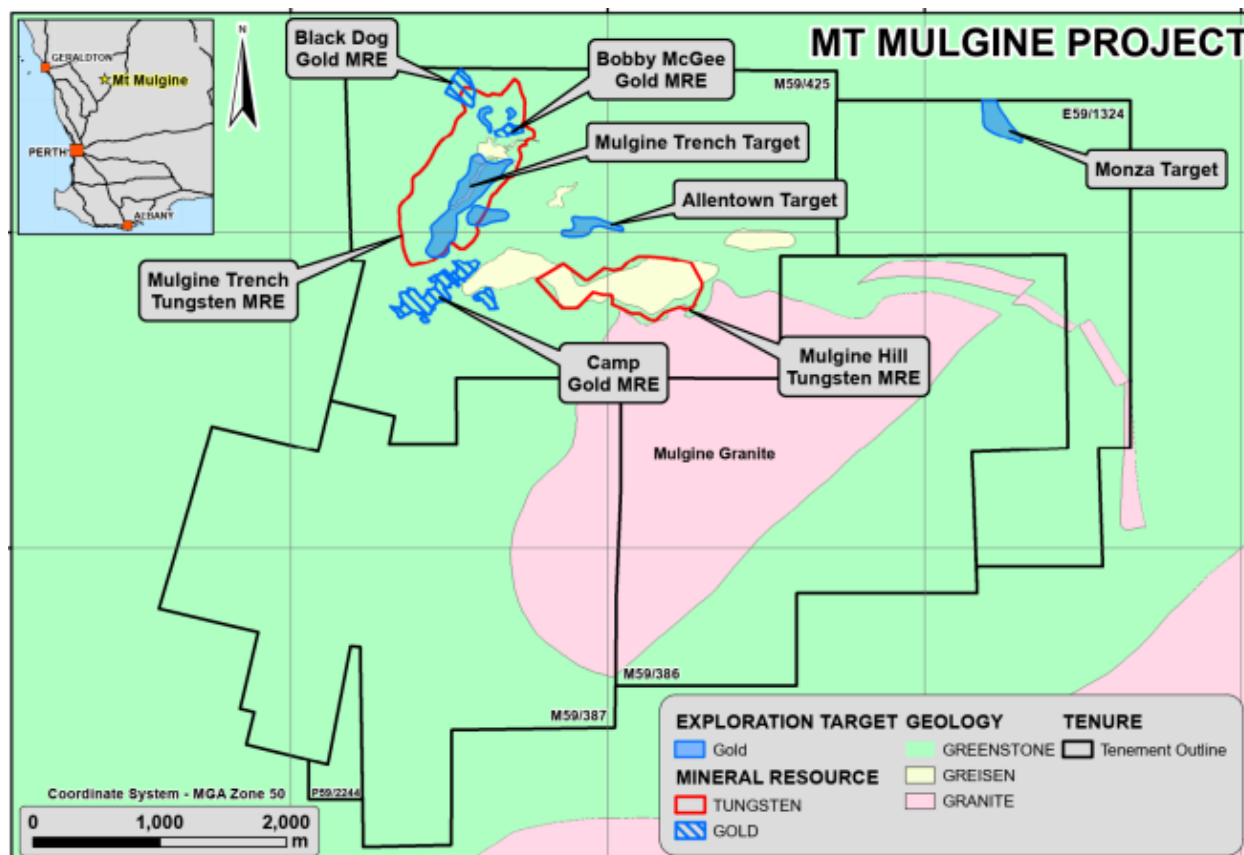
**Metallurgical test work:** This is a key focus for near term project development. The next phase of work will be to undertake variability testing across the ore-body, validating the proposed flow sheet and recoveries across the deposit. The work will then transition into a bulk testwork program, scaling up work in support of the final process design, as well as production of concentrates for product marketing. Part of this process will include tailings and waste rock characterisation.

**Resource work:** This will include an update to the Mulgine Trench geological model including re-blocking for mining optimisation. Resource drilling is planned to potentially extend mineralisation along strike and at depth. Evaluation of the gold targets will also be undertaken to assess potential future drilling.

# Mt Mulgine Gold Upside

Mt Mulgine has a long history of gold exploration, most recently it was the site of gold production under previous owner Minjar Gold in the 2010's. Minjar Gold mined a series of shallow pits targeting oxide mineralisation, including the Black Dog, Bobby McGee and Camp deposits. These are shown below.

Figure 21: Mt Mulgine Gold Resource and Prospects



Source: TGN

The region remains prospective for gold, with drilling in and around these prospects highlighting potential for additional shallow high-grade material in the area, best results reported across these deposits include

Mulgine Trench oxide gold target:

- 10 metres at 4.19 g/t Au from 8 metres
- 14 metres at 1.84 g/t Au from 8 metres
- 12 metres at 1.59 g/t Au from 7 metres

Bobby McGee pit:

- 11 metres at 9.97 g/t Au from 32 metres
- 23 metres at 2.76 g/t Au from 30 metres
- 9 metres at 4.36 g/t Au from 26 metres

Highland Chief pit:

- 15 metres at 4.45 g/t Au from 35 metres
- 13 metres at 2.01 g/t Au from 37 metres
- 14 metres at 3.26 g/t Au from 45 metres

Black Dog pit:

- 7 metres at 7.80 g/t Au from 25 metres

- 12 metres at 3.20 g/t Au from 33 metres
- 7 metres at 5.23 g/t Au from 31 metres

The region hosts a Resource, reported by TGN in October 2025, reflecting the historic Resource reported by Minjar Gold Pty Ltd in 2018. The Resource is based on historic drilling, including grade control drilling, and is supported by recovery assumptions based on historical production through conventional CIL processing. More recently, TGN has completed preliminary testwork on oxide and fresh ore, the results of which align with the historic outcomes.

**Figure 22: Mt Mulgine Gold Resource**

| Classification   | Oxide      |             | Transitional |             | Fresh      |             | Total        |             |               |
|--|------------|-------------|--------------|-------------|------------|-------------|--------------|-------------|---------------|
|  | Kt         | Au (g/t)    | Kt           | Au (g/t)    | Kt         | Au (g/t)    | Kt           | Au (g/t)    | Au (oz)       |
| <b>Camp Mineral Resource Estimate - December 2018</b>        |            |             |              |             |            |             |              |             |               |
| Indicated  | 540        | 1.03        | 480          | 0.96        | 210        | 0.97        | 1,200        | 0.99        | 39,400        |
| Inferred   |            |             |              |             | 230        | 1.07        | 230          | 1.07        | 8,000         |
| <b>Total</b>   | <b>540</b> | <b>1.03</b> | <b>480</b>   | <b>0.96</b> | <b>440</b> | <b>1.02</b> | <b>1,500</b> | <b>1.00</b> | <b>47,300</b> |
| <b>Black Dog Mineral Resource Estimate - December 2018</b>   |            |             |              |             |            |             |              |             |               |
| Indicated  |            |             | 3            | 0.85        | 150        | 1.51        | 150          | 1.50        | 7,300         |
| Inferred   | 12         | 1.06        | 40           | 1.04        | 92         | 1.51        | 140          | 1.34        | 6,200         |
| <b>Total</b>   | <b>12</b>  | <b>1.06</b> | <b>44</b>    | <b>1.03</b> | <b>240</b> | <b>1.51</b> | <b>300</b>   | <b>1.42</b> | <b>13,500</b> |
| <b>Bobby McGee Mineral Resource Estimate - December 2018</b> |            |             |              |             |            |             |              |             |               |
| Indicated  | 5          | 1.20        | 35           | 1.28        | -          |             | 40           | 1.27        | 1,700         |
| Inferred   | 6          | 0.79        | 18           | 1.09        | 90         | 1.49        | 110          | 1.39        | 5,100         |
| <b>Total</b>   | <b>12</b>  | <b>0.97</b> | <b>53</b>    | <b>1.22</b> | <b>90</b>  | <b>1.49</b> | <b>150</b>   | <b>1.36</b> | <b>6,700</b>  |
| <b>Total Mineral Resource Estimate</b>                       |            |             |              |             |            |             |              |             |               |
| Indicated  | 550        | 1.03        | 520          | 0.98        | 350        | 1.19        | 1,400        | 1.06        | 48,400        |
| Inferred   | 18         | 0.96        | 58           | 1.06        | 120        | 1.26        | 490          | 1.22        | 19,300        |
| <b>Total</b>   | <b>570</b> | <b>1.03</b> | <b>580</b>   | <b>0.99</b> | <b>770</b> | <b>1.23</b> | <b>1,900</b> | <b>1.10</b> | <b>67,500</b> |

Source: TGN

The existing gold resource is primarily hosted beneath historic pits in the vicinity of the Mulgine Trench deposit, these pits were mined 10 to 20 years ago. Further drilling and re-assessment at current gold prices has the potential to extend these deposits.

In addition to the 67,500oz gold Resource, an Exploration Target of a further 44.4koz - 87.1koz was announced in October 2025. This largely reflects the gold mineralisation sitting above the tungsten deposit at Mulgine Trench (i.e., in the pre-strip of the main Mt Mulgine tungsten open pit). Alternatives are being considered to commercialise this gold mineralisation, options may include a separate gold processing pathway, toll treating, or stockpiling the material for processing at a later stage. The best pathway forward is likely to depend on whether TGN has success with additional exploration.

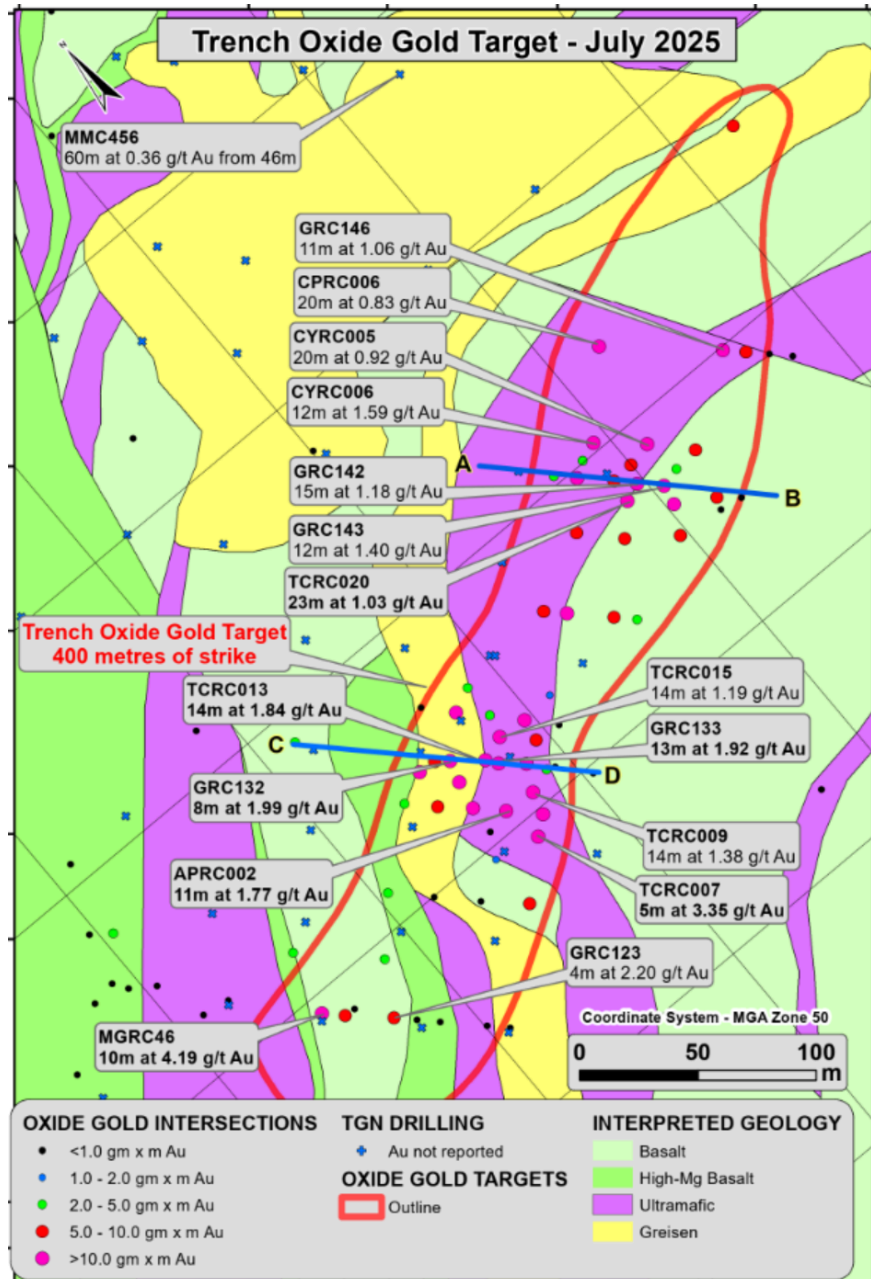
**Figure 23: Mt Mulgine Gold Exploration Targets - October 2025**

| Prospect           | Tonnes           |                  | Grade (g/t Au) |            | Metal (Au koz) |             |
|--------------------|------------------|------------------|----------------|------------|----------------|-------------|
|                    | Low              | High             | Low            | High       | Low            | High        |
| Trench Prospect    | 1,300,000        | 1,700,000        | 0.8            | 1.1        | 33.4           | 60.1        |
| Allentown Prospect | 150,000          | 200              | 1.2            | 1.8        | 5.8            | 11.6        |
| Monza Prospect     | 40               | 60               | 4.0            | 8.0        | 5.1            | 15.4        |
| <b>Total</b>       | <b>1,500,000</b> | <b>2,000,000</b> | <b>0.9</b>     | <b>1.4</b> | <b>44.4</b>    | <b>87.1</b> |

Source: TGN

The near surface gold opportunity at Mulgine Trench is highlighted below, with numerous shallow gold intersections including a number of higher-grade hits.

Figure 24: Mulgine Trench Oxide Gold Target - Drilling results



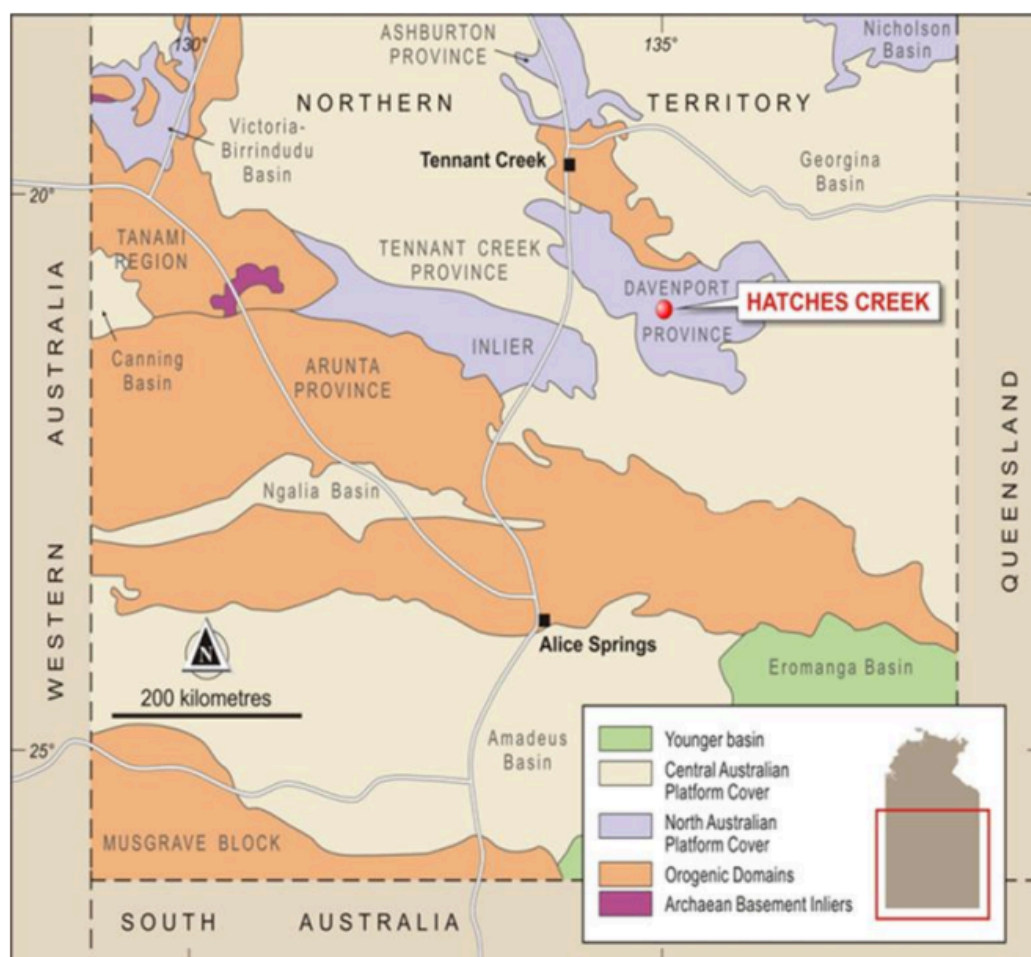
Source: TGN

# Hatches Creek Project

TGN secured an initial 20% interest in Hatches Creek from GWR Group (GWR.ASX) through a farm-in deal announced in June 2019. TGN subsequently lifted its ownership interest to 100% in a Dec 2024 transaction, issuing GWR 107.5m shares (valued at \$8.6m at the \$0.08c issue price) for the balance of the project. GWR has retained these shares and remains the largest TGN shareholder with 15.9%.

The Hatches Creek Project is located in the Davenport Province of the Northern Territory. It is situated approximately 375km north east of Alice Springs. It is an historic tungsten mining operation, with operations conducted from 1915 to 1957 with previous recorded production of 2,840t of 65% tungsten concentrate alongside bismuth concentrate and copper ore.

**Figure 25: Hatches Creek Project Location**



Source: TGN

A maiden Inferred Resource was reported across the Hatches Creek project area in May 2025. It is a relatively small-scale, higher-grade development when compared to Mt Mulgine. The Resource is split across a tungsten Resource (12.1Mt at 0.17% WO<sub>3</sub>) and a copper Resource 6.1Mt at 0.29% Cu. The resource was informed by a 65-hole RC drilling program totalling 6,800m undertaken in late 2024.

**Figure 26: Inferred Mineral Resource (0.05% WO<sub>3</sub> cut-off grade) - 15 May 2025**

| Material     | Tonnes        | WO <sub>3</sub> | WO <sub>3</sub> | Cu          | Cu          |
|--------------|---------------|-----------------|-----------------|-------------|-------------|
|              | (x1000)       | (%)             | (Kt)            | (%)         | (Kt)        |
| Oxide        | 2,300         | 0.14            | 3.3             | 0.10        | 2.4         |
| Transitional | 2,800         | 0.16            | 4.4             | 0.09        | 2.6         |
| Sulphide     | 7,000         | 0.19            | 13.2            | 0.13        | 9.1         |
| <b>Total</b> | <b>12,000</b> | <b>0.17</b>     | <b>20.9</b>     | <b>0.12</b> | <b>14.1</b> |

Source: TGN

**Figure 27: Inferred Mineral Resource (0.10% Cu cut-off grade) - 15 May 2025**

| Material     | Tonnes       | Cu          | Cu           |
|--------------|--------------|-------------|--------------|
|              | kt           | (%)         | (Kt)         |
| Oxide        | 400          | 0.27        | 1.2          |
| Transitional | 1,300        | 0.26        | 3.3          |
| Sulphide     | 4,400        | 0.31        | 13.6         |
| <b>Total</b> | <b>6,100</b> | <b>0.29</b> | <b>18.00</b> |

Source: TGN

Following the drilling program, metallurgical test work was undertaken, with ore sorting trials showing the ore is highly amenable to sorting, with a strong uplift in grades with minimal metal loss. Beneficiation test work undertaken on the ore sorter concentrates also showed strong amenability to gravity processing. Engineering work is ongoing to further define a flowsheet for Hatches Creek ore. Other studies including tailings design, flora and fauna assessments, and water mapping and exploration are also ongoing.

### Development Pathway and Approvals

Hatches Creek is set to pursue a two-stage development pathway. Stage 1 would see stockpiles left from the historic mining processed. Following this Stage 2 would see larger-scale mining of the tungsten/copper Resource. The approvals being sought reflect this approach.

TGN lodged a Mining Management Plan (MMP) application for the Stage 1 stockpile processing in June 2024 with the NT government Department of Environment, Parks and Water Security. While a Mining License application has been lodged with the Department of Industry Tourism and Trade of the NT government in March 2024. TGN has also been in discussions with the Central Land Council since April 2025, commencing the process to negotiate a mining agreement with the aboriginal landowners.

Future studies will advance pit design, mine scheduling, geotechnical assessment, metallurgical testwork and the process flow sheet. They will also support reporting of a maiden reserve at Hatches Creek.

## The Watershed Project

Watershed is a higher-grade tungsten project located 130km north of Cairns in far north Queensland, Australia. TGN owns 100% of the project, having acquired it from the previous owner Vital Metals Ltd in 2018 for A\$15m. The project holds a granted Mining Lease and environmental approvals for open pit operations.

It hosts a current Resource of 49.3Mt at 0.14% WO<sub>3</sub> and an ore reserve of 21.3Mt at 0.15% WO<sub>3</sub>. Vital Metals undertook a DFS on the project in 2014. TGN's focus has been more on exploration to extend existing mineralisation and identify new targets. Work to date has primarily been geochemical with several anomalies identified for follow up testing.

**Figure 28: Watershed Mineral Resource and Ore Reserve**

| Watershed Prospect - Resource |             |                 |                 |
|-------------------------------|-------------|-----------------|-----------------|
| Class                         | Tonnes      | WO <sub>3</sub> | WO <sub>3</sub> |
|                               | (Mt)        | (%)             | (Kt)            |
| Measured                      | 9.5         | 0.16            | 15              |
| Indicated                     | 28.4        | 0.14            | 40              |
| Inferred                      | 11.5        | 0.15            | 17              |
| <b>Total</b>                  | <b>49.4</b> | <b>0.14</b>     | <b>70</b>       |

| Watershed Prospect - Reserve |             |                 |                 |
|------------------------------|-------------|-----------------|-----------------|
| Class                        | Tonnes      | WO <sub>3</sub> | WO <sub>3</sub> |
|                              | (Mt)        | (%)             | (Kt)            |
| Proven                       | 6.4         | 0.16            | 10              |
| Provable                     | 15.0        | 0.14            | 21              |
| <b>Total</b>                 | <b>21.3</b> | <b>0.15</b>     | <b>31</b>       |

Source: TGN

# Board and Management

TGN has a Board with a breadth of experience across both mining and other industrial sectors as well as capital markets, it also has specific tungsten expertise. This positions it well to advance its projects into production.

## **Gary Lyons: Non-Executive Chair**

Experienced company director and businessman that recently retired, as Managing Director and shareholder after almost 40 years of the Heiniger Group's Australasian operations. Mr Lyons currently serves as Non-Executive Chairman of GWR Group Limited, Western Gold Resources Limited and E-metals Limited. Mr Lyons was appointed as a Non-executive Director on 16 July 2014 and elected Chairman on 5 January 2015.

## **Tan Sri David Law: Non-Executive Director**

Mr Law is a highly respected investor and business leader with substantial commercial interests across Asia, Australia, and Europe. He brings decades of strategic investment experience spanning multiple sectors, including steel manufacturing and distribution, property investment and development, and agriculture. He is currently the Executive Chairman of T.S. Law Holding Sdn Bhd, a diversified investment holding company headquartered in Malaysia, with a portfolio of businesses that operate across a broad range of industries. Mr Law was appointed to the Board on 15 January 2018.

In addition, Tan Sri David Law serves as Deputy Chairman and is a substantial shareholder of Hiap Teck Venture Berhad, a publicly listed Malaysian company engaged in the distribution and trading of steel and steel-related products. Under his leadership, Hiap Teck Venture Berhad jointly invested in and successfully developed a 2.7 million tonne integrated steel mill in Malaysia, marking a significant advancement in the nation's steel production capabilities.

Previously, he held the position of Deputy Chairman and was a major shareholder of Midwest Corporation Limited, an Australian resources company

## **Russell Clark: Non-Executive Director**

Highly experienced and successful senior resource sector executive, with more than 40 years' experience in corporate, operational and project development roles in Australia and overseas. Mr Clark currently serves as Non-Executive Chairman of Vault Minerals Limited and CZR Limited and is an NED with Pearl Gull. Mr Clark was appointed as a non-executive Director on 11 February 2020.

## **Chew Wai Chuen: Non-Executive Director**

Mr Chuen is a financial advisor with more than 15 years of industry experience, specialising in the provision of corporate and wealth management for ultra-high net worth individuals in Southeast Asia capital markets with extensive networks of clients in Singapore and Malaysia. Mr Chew Wai Chuen was appointed to the Board as a non-executive Director on 17 April 2014.

## **Jimmy Lee: Non-Executive Director**

Mr Lee is a mining engineer with more than 30 years of industry experience and is a member of AusIMM. His career includes senior positions across multiple major Australian mining companies. Mr Lee was appointed to the Board as a non-executive Director on 2 April 2014.

## **Teck Wong: Executive Director & CEO**

Mr Wong is an accomplished corporate leader with extensive international business experience across Hong Kong, the United Kingdom, Malaysia, and Australia. A graduate of Swinburne University (Melbourne) with a Bachelor of Business, he has developed a strong track record in steering businesses across diverse industries and geographies.

His career spans mining, commodity and steel trading throughout the Asia region, as well as significant exposure to the retail, manufacturing, and financial products sectors. This breadth of experience has equipped him with a unique ability to navigate complex commercial environments, drive cross-border transactions, and manage stakeholder relationships across multiple cultures.

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

### **Simon Borck: CFO & Company Secretary**

Mr Borck is a Chartered Accountant with 15 years of experience as a senior finance executive in the resources sector. He has expertise in statutory, financial, and management reporting, as well as company secretarial matters.

# ESG Matters

TGN has a mission to become a supplier of ethically sourced, sustainably developed tungsten. Its current ESG focus is around ensuring an environmentally compliant development pathway, managing health and safety risks, and actively engaging with traditional owners and broader stakeholders to ensure support for project development.

## Environmental Factors and Considerations

TGN has an advisor engaged to support its development through ensuring environmental compliance. The work underway is typical of mining developments including flora and fauna studies, water management studies, waste and tailings management.

The Company is implementing active management strategies including drill program redesigns, habitat buffers, strict clearing protocols, and supervised ground disturbance to minimize impact on conservation-significant species. A regional threatened species survey is planned to understand density of populations outside the project area.

A key focus for the Mt Mulgine development is ensuring the development strategy supports the maintenance of a sustainable acacia population. This is likely to involve the development plan avoiding certain areas to minimise disturbance as well as a relocation strategy where possible. Water management is also a key focus for the project.

## Social License

TGN maintains continuing engagement with relevant stakeholders including knowledge holders and traditional owner groups at Mt Mulgine as part of the ongoing approvals and development process. At Hatches Creek the tenements are located on Aboriginal Freehold Land administered by the Central Land Council (CLC), a Deed of Exploration is in place covering the tenements. TGN initiated discussions in April 2025 with the CLC commencing the process to negotiate a mining agreement with Aboriginal Landowners.

## Governance

TGN's Board is responsible for corporate governance and substantially complies with the ASX Corporate Governance Principles and Recommendations. The company has a formal Board Charter outlining the roles and responsibilities of the Board, Chair, and management.

Key governance elements include

- **Board Composition:** The Board is comprised of six members, a Non-Executive Chair, four non-Non-Executive Directors and an Executive Director / CEO. The Chair and Executive Director / CEO are associated with the Group's major shareholder, GWR Group and are not considered independent. This leaves the board with a majority of independent Non-Executive Directors. The Board is 100% male, this is likely to be addressed as the company and size of the Board grows.
- **Policies:** A Code of Conduct has been established for Directors, executives, and employees. Alongside this, a range of governance policies are in place including Whistleblowing, Anti-Bribery and Corruption, Risk Management, Securities Trading, Diversity and Inclusion, and Continuous Disclosure policies.
- **Committees:** The full Board takes on responsibilities of key committees including audit, risk, and remuneration.



## Geology and Primary Ore Minerals

Tungsten does not occur as a free metal in nature, it is extracted from ore. The two most commercially important ore types are wolframite and scheelite.

- **Wolframite:** An iron-manganese tungstate with the chemical formula  $(\text{Fe},\text{Mn})\text{WO}_4$ . It exists as a solid solution series between two pure compositions being ferberite ( $\text{FeWO}_4$ ), which is iron-rich, and hubnerite ( $\text{MnWO}_4$ ), which is manganese-rich. Wolframite is the primary source for the majority of global tungsten production.
- **Scheelite:** A calcium tungstate ( $\text{CaWO}_4$ ) that can range in colour from white and yellow to brown. A key identifying characteristic of scheelite is its strong, bright blue fluorescence under shortwave ultraviolet light, a property often used in prospecting.

Figure 30: Wolframite Ore



Source: ScienceDirect

Figure 31: Scheelite Ore



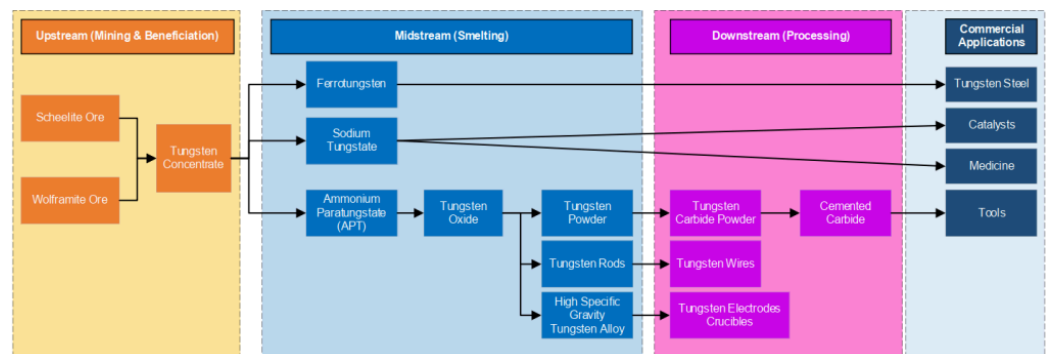
Source: Britannica

The primary geological settings for tungsten deposits include:

- **Sheeted Vein Deposits:** These consist of numerous sub-parallel, narrow quartz veins containing wolframite, often found within or above granite intrusions. While the grade within individual veins can be high, the bulk grade of the entire system is lower. The world's largest tungsten deposits, particularly those in southeastern China, are of this type.
- **Skarn Deposits:** These form when tungsten-bearing hydrothermal fluids from a cooling granite body react with adjacent carbonate rocks, such as limestone, depositing scheelite. Skarns are typically higher grade but smaller in total tonnage than vein deposits.
- **Porphyry Deposits:** Tungsten can also be recovered as a co-product from large, low-grade porphyry molybdenum deposits, where it occurs as hubnerite and wolframite in stockwork quartz veinlets.

## The Tungsten Supply Chain

Figure 32: The tungsten supply chain



Source: TGN

## Upstream: Global Reserves and Mine Production

### China Dominates Global Reserves

Global tungsten reserves are estimated to be 4.6Mt of contained tungsten. China possesses the world's largest reserves, estimated at 2.4Mt, accounting for ~52% of the global total. This geological endowment provides the foundation for its long-term market control. Other countries with significant reserves include Russia (0.4Mt), Australia (0.22Mt) and Vietnam (0.14Mt). The comparison between reserve share and production share is notable - while China holds just over half of the world's reserves, it is responsible for over 80% of annual production, indicating a depletion rate far exceeding that of other nations and potentially underpinning a long-term strategy to conserve its resource for domestic use.

**Figure 33: Estimated Global Tungsten Reserves by Country**

| Country                      | Reserves (t)     | Global Total (%) |
|------------------------------|------------------|------------------|
| China                        | 2,400,000        | 52.20%           |
| Russia                       | 400,000          | 8.70%            |
| Australia                    | 220,000          | 4.78%            |
| Vietnam                      | 140,000          | 3.00%            |
| Spain                        | 66,000           | 1.40%            |
| Portugal                     | 3,400            | 0.10%            |
| Other Countries              | 950,000          | 20.70%           |
| <b>World Total (rounded)</b> | <b>4,600,000</b> | <b>100%</b>      |

Source: US Geological Survey (USGS)

### ...And China also dominates Mine Production

Global mine production of tungsten was estimated to be 81kt in 2024. China is the undisputed leader, with an output of 67kt, representing over 82% of the world's total supply. Few other major industrial materials exhibit this level of market share by a single country, this forms the core of the market's supply-side risk. Recently, China has actively managed its output, imposing production quotas and limiting export licenses to exert control over global supply with significant flow on effect to pricing.

**Figure 34: Global Tungsten Mine Production by Country**

| Country                      | Production 2023 (t) | Production 2024 (t) | 2024 Global Share (%) |
|------------------------------|---------------------|---------------------|-----------------------|
| China                        | 66,000              | 67,000              | 82.72%                |
| Vietnam                      | 3,500               | 3,400               | 4.20%                 |
| Russia                       | 2,000               | 2,000               | 2.47%                 |
| North Korea                  | 1,600               | 1,700               | 2.10%                 |
| Bolivia                      | 1,500               | 1,600               | 1.98%                 |
| Rwanda                       | 1,200               | 1,200               | 1.48%                 |
| Australia                    | 430                 | 1,000               | 1.23%                 |
| Austria                      | 850                 | 800                 | 0.99%                 |
| Spain                        | 650                 | 700                 | 0.86%                 |
| Portugal                     | 450                 | 500                 | 0.62%                 |
| Other Countries              | 1,320               | 1,500               | 1.85%                 |
| <b>World Total (rounded)</b> | <b>79,500</b>       | <b>81,000</b>       | <b>100%</b>           |

Source: US Geological Survey (USGS)

### Key ex-China Producers and Reserves

Production outside China accounts for less than 20% of global supply, with the following countries being significant in ex-China output.

- **Vietnam (#2 Producer, #5 Globally by Reserves):** Vietnam is the second-largest tungsten producer worldwide, delivering 3.4kt in 2024. Output is exclusively dominated by the Nui Phao mine, operated by Masan High-Tech Materials, recognised as the largest and lowest-cost tungsten operation outside China, with fully integrated downstream APT and chemical production. In 2025, there were reports of Chinese companies making a bid for the mine and downstream processing operations while Western officials sought to "show support" through several visits.

- **Russia (#3 Producer, #2 Globally by Reserves):** Russia produced 2kt in 2024 and holds 400kt of reserves, ranking second globally. The Tyrnyauz deposit remains its principal resource base. Ongoing sanctions and financing restrictions continue to limit exports to Western markets.
- **Australia (#6 Producer, #3 Globally by Reserves):** Australia is re-emerging as a significant producer through EQ Resources' Mt Carbine mine in Queensland, although 2025 output is set to fall from 2024 levels of around 1,000t as G6 Mining ceased operations and EQ Resources saw grade declines impact. With 220kt of reserves, Australia ranks third globally after China and then Russia. Australia is the leading Western nation by reserves which makes it a strategic jurisdiction to accelerate mine approvals and tungsten production.

### Midstream: Conversion of Ore to Intermediates

The strategic constraint in the tungsten supply chain is not limited to mining but is arguably more acute in the midstream processing segment. Even if new mines are developed outside of China, they often lack the domestic capacity to refine their ore into the high-purity intermediates required by downstream manufacturers.

#### The Role of Ammonium Paratungstate (APT)

Tungsten ore is not used directly. After being mined, it is crushed and concentrated to a grade of typically 55-65% tungsten trioxide ( $WO_3$ ). This concentrate is then subjected to a complex chemical hydrometallurgical or pyrometallurgical process to produce high-purity intermediate compounds. The most important of these is APT, a white crystalline powder that serves as the precursor for almost all downstream tungsten products, including tungsten oxides, pure tungsten metal powder, and tungsten carbide powder. Given its pivotal role, the price of APT is a key benchmark for the global tungsten market.

**Figure 35: Tungsten APT Powder**



Source: Masan High-Tech Materials

#### Key Corporate and National Players in Tungsten Refining

China dominates this mid-stream stage. A significant portion of the concentrate mined outside China is shipped there for processing due to a global shortage of non-Chinese refining capacity. The world's leading producers of APT and other tungsten chemicals are predominantly Chinese state-owned or private enterprises including:

- China Minmetals Corporation
- Xiamen Tungsten Co. Ltd.
- Chongyi Zhangyuan Tungsten Co. Ltd.

Western (and non-China) processors offer limited alternative supply options:

- Global Tungsten & Powders (USA) - a major producer of APT and tungsten chemicals for over 50 years
- H.C. Starck Tungsten Powders (Germany) - now part of Mitsubishi Materials Corporation and a leading global supplier of tungsten chemicals and powders

- Masan High-Tech Materials (Vietnam) - operates an integrated processing plant alongside its Nui Phao mine, making it a significant non-Chinese integrated producer

The vertical integration of major Chinese players like Xiamen Tungsten, which controls operations from mining and smelting through to finished carbide-tool production, gives them significant cost advantages and supply-chain control. This processing bottleneck means that diversifying the global mining base is only the first step, building independent processing infrastructure remains a capital-intensive and strategically critical challenge for consuming nations seeking to de-risk their supply chains.

## Downstream: Manufacturing High-Performance Products

The final stage of the value chain involves converting tungsten intermediates into finished products for end-use applications. This segment is technologically intensive and is where the unique properties of tungsten are engineered into high-performance materials.

### Tungsten Carbide Sector

Representing the largest share of global tungsten use, the production of tungsten carbide (WC) is the most important downstream activity in the value chain. The process begins by combining fine tungsten powder with carbon and heating it to high temperatures to form hard WC grains. These grains are then mixed with a metallic binder (typically cobalt or nickel) and consolidated through powder metallurgy techniques such as pressing and sintering. The result is a metal-matrix composite known as cemented carbide or hardmetal, valued for its exceptional hardness and toughness.

This sector is dominated by a mix of major global industrial groups and leading Chinese manufacturers. Key players include:

- Zhuzhou Cemented Carbide Group (China) - the country's largest cemented carbide producer and a global leader in tungsten powders and hardmetals.
- Xiamen Golden Egret Special Alloy Co. Ltd. (China) - a subsidiary of Xiamen Tungsten Co. specialising in tungsten powders, cemented carbides and precision tools.
- Sandvik AB (Sweden)
- Kennametal Inc. (United States)
- Mitsubishi Materials Corporation (Japan)
- Ceratizit Group (Luxembourg)

Together, these companies account for a substantial share of global tungsten carbide and hardmetal production, supplying critical materials for cutting tools, wear-resistant components, and advanced industrial applications.

### Production of Tungsten Alloys, Steels, and Mill Products

Other downstream products are manufactured through distinct processes:

- **Alloys and Superalloys:** Tungsten is added to steel primarily in the form of ferrotungsten (FeW). For high-density "heavy metal alloys," tungsten powder is mixed with powders of nickel, iron or copper and then sintered to create dense components.
- **Mill Products:** Due to tungsten's extremely high melting point, products like wire, rods, sheets and filaments cannot be made through conventional casting. Instead, they are manufactured using powder metallurgy, where tungsten powder is pressed into bars, sintered at high temperatures, and then mechanically worked to achieve the final shape.

## Tungsten Demand Dynamics

### By First- and End- Use

Tungsten consumption can be analysed from two perspectives: (1) the initial form in which it is used (first-use) and (2) the ultimate industry where it is consumed (end-use). The market is overwhelmingly defined by the production and use of hardmetals. This highlights that the security of the tungsten supply chain is about securing the inputs for cemented carbide manufacturing. These hardmetal products are central to vital industrial sectors, including transportation, resource extraction and defence.

Figure 36: Tungsten Demand Composition by First-Use and End-Use Sector (%)

| First-Use Category        | Share of Global Consumption |
|---------------------------|-----------------------------|
| Tungsten Carbide Products | 65%                         |
| Steels / Super-Alloys     | 14%                         |
| Tungsten Metal Products   | 12%                         |
| Chemicals & Others        | 9%                          |
| End-Use Sector            | Share of Global Consumption |
| Transport                 | 25%                         |
| Mining & Construction     | 26%                         |
| Industrial / Medical Use  | 14%                         |
| Chemical / Petrochemical  | 9%                          |
| Consumer Durables         | 8%                          |
| Defence                   | 11%                         |
| Energy                    | 7%                          |

Source: International Tungsten Industry Association (ITIA)

## Industrial, Mining & Construction

This group of sectors represents the bulk of the demand base for tungsten. The exceptional hardness and wear resistance of cemented tungsten carbide make it the material of choice for tools that cut, drill, or wear against hard materials. Key applications include:

- **Metalworking:** Replaceable cutting inserts, drills and end mills for machining steel and other metals.
- **Mining and Oil & Gas:** Drill bits for rock drilling and exploration, and wear parts for crushing and grinding equipment.
- **Construction:** Tools for tunneling, road milling (removing old asphalt), and foundation drilling. Demand in this segment is closely correlated with global GDP, industrial production indices and infrastructure investment cycles.

## Automotive & Transportation

The automotive industry is another large consumer of tungsten worldwide. Its use is twofold:

1. **Manufacturing:** Cemented carbide tools are essential for the high-volume, precision machining of engine blocks, transmission components and other powertrain parts.
2. **In-Vehicle Components:** Tungsten and its alloys are used in parts that require high wear resistance or density, such as valve seats, crankshaft and wheel balance weights, brake components and tire studs.

A significant future growth driver within this sector is the global transition to Electric Vehicles (EVs). While EVs have fewer traditional engine parts, they create new demand for tungsten in areas such as high-precision welding electrodes for battery and motor assembly, electrical contacts in high-voltage systems, and increasingly, as a component in advanced battery technologies. Research is also pursuing the use of tungsten in anodes and cathodes to improve charging speeds, energy density and battery lifespan.

## Aerospace & Defense

Though smaller in volume, this segment is of major strategic importance and represents a high-value growth area. Tungsten's unique properties are indispensable for applications at the extreme edge of performance:

- **Aerospace:** Tungsten-based "superalloys" are used in high-temperature environments such as jet engine turbine blades and rocket engine nozzles. Its high density makes it ideal for compact counterweights for control surfaces such as airplane flaps and for radiation shielding in spacecraft.
- **Defence:** Tungsten's primary military application leverages its extreme density and hardness. It is the key material for "kinetic energy penetrators" or armor-piercing projectiles, which do not use explosives but rely on their immense momentum to puncture heavy armor.

## Electronics, Energy & Other High-Tech Applications

Tungsten is a critical enabling material across a variety of modern technologies:

- **Electronics:** As a mill product (wire, sheet), it is used for filaments in lighting and X-ray tubes, as electrodes and as heat sinks to dissipate heat from microprocessors. In semiconductor manufacturing, tungsten is deposited as a thin film to create conductive pathways and interconnects within integrated circuits.
- **Energy:** Beyond its use in conventional power generation turbines, tungsten is finding new applications in the renewable energy transition. It is used in components for wind turbines and in photovoltaic solar cells. Looking further ahead, tungsten is the leading candidate material for plasma-facing components in experimental nuclear fusion reactors due to its ability to withstand the extreme heat and particle bombardment, representing a potentially large-scale long-term demand source.

Figure 37: End-uses of tungsten, used extensively in critical and specialised high-tech applications



Source: TGN

## Regional Consumption Dynamics and Trends

Unlike supply, tungsten consumption is globally diversified, reflecting its integration into worldwide industrial manufacturing chains. The Asia-Pacific region is the largest consumer, accounting for 52% of the market, driven primarily by China's massive industrial base, which alone consumes 36% of global tungsten end-uses. Europe at 20% and North America at 17% are the next largest consuming regions.

## Recent Market Developments (2023-2025): Supply Shock

The period from 2023 through 2025 has been transformational for the tungsten market. It was characterised by a severe supply-side shock orchestrated by China that has had a major impact on global supply chains and caused significant price inflation. It has launched a clear focus on securing new non-China sources of supply.

## Supply: China's Strategic Shift and its Global Impact

The primary driver of market dynamics has been a deliberate and strategic tightening of supply by China. This has been executed through a multi-pronged policy approach:

1. **Production Quotas:** Beijing has continued to impose strict annual mining quotas on its domestic producers, capping primary output at 63kt in 2023 and reducing it further to 62kt metric tons for 2024. A formal 2025 quota has not yet been publicly released, but the trajectory indicates continued restraint rather than expansion.
2. **Environmental Enforcement:** Heightened environmental inspections in major producing provinces such as Jiangxi and Hunan have periodically disrupted mining and smelting operations, further constraining supply.
3. **Export Controls:** The most impactful measure was the implementation of a new export licensing system, effective from February 2025, mirroring the action taken in rare-earths and antimony. This policy classifies tungsten and its compounds as dual-use materials (having both civilian and military applications) and subjects all exports to a stringent permitting process.

The impact of these policies has been immediate. In the first half of 2025, China's exports of tungsten compounds fell by roughly 24% YoY, with certain intermediate products such as tungsten trioxide ( $WO_3$ ) recording much sharper declines including a 76% reduction in export shipments. This has created a material supply gap for consumers outside China who have historically relied on Chinese APT and oxides as feedstock.

Alongside the geopolitical leverage these controls imply, China's evolving export policy also appears to reflect a strategic realignment within its tungsten industry. While export restrictions have tightened on processed materials, China has increased imports of raw concentrates by 75% in 1H25 versus 1H24, signaling an intent to secure upstream resources to support domestic manufacturing. At the 2025 ITIA conference, it was noted that domestic demand is now exceeding supply and that China intends to retain more raw material for internal use. This suggests a gradual shift from China's traditional role as a low-cost exporter toward a focus on value-added production serving advanced domestic sectors such as renewable energy, EVs and defence.

Overall, the direction of policy indicates that global consumers can no longer rely on an abundant, low-cost flow of Chinese tungsten intermediates, reinforcing the strategic importance of developing diversified non-China supply chains.

### Demand: Sectoral Growth Drivers

While supply has tightened, tungsten demand has remained resilient and, in several sectors, has strengthened further. A broad post-pandemic recovery in global industrial manufacturing continued to underpin demand for tungsten carbide tooling and wear-resistant components. Two structural trends have been particularly influential:

- **Increased Defence Spending:** Heightened geopolitical instability, notably the conflicts in Ukraine and the Middle East have driven a sharp increase in global military expenditure. According to the Stockholm International Peace Research Institute, defence spending reached a record US\$2.4tn in 2023 and climbed further to approximately US\$2.7tn in 2024, marking the steepest annual increase in over a decade. This escalation has supported greater demand for high-density and high-performance materials such as tungsten, which are used in armour-piercing munitions, kinetic energy penetrators and other critical defence applications.
- **High-Tech Sector Growth:** The global energy-transition and electrification trends have sustained strong industrial demand. Electric-vehicle sales globally grew to around 17.1m units in 2024, up 25% YoY, reflecting continued expansion in battery, motor and tooling supply chains that rely on tungsten alloys and carbides. Parallel growth in renewable-energy infrastructure and semiconductor manufacturing has also reinforced tungsten consumption through its use in precision tooling, heat-resistant components and thin-film applications.

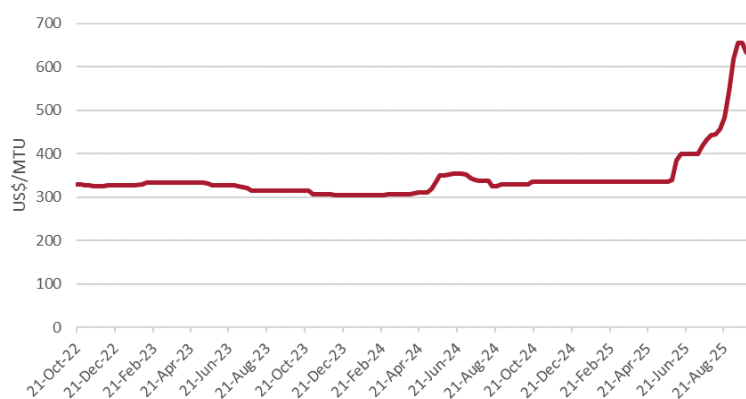
These structural tailwinds have maintained robust demand across the tungsten value chain, offsetting the effects of China's supply-side tightening and underscoring the strategic relevance to both defence and high-technology industries.

### Price Trends: Drivers of Recent Volatility

The confluence of restricted supply and robust demand triggered a dramatic price escalation in 2024 and 2025. The price of tungsten concentrates and the benchmark APT reached record highs.

- In China, the domestic price for APT soared by over 61% between January and August 2025, reaching approximately US\$650/MTU (export control in Feb-25).
- In Europe, APT prices mirrored this trend, increasing by over 52% during the same period to trade in a range of \$485-\$520/MTU. This price surge, which far outpaced typical seasonal fluctuations, can be directly attributed to the supply shortage resulting from China's export control policies.

**Figure 38: Tungsten APT Price Shanghai - Prices rally post Feb 2025 Chinese export controls**



Source: SMM

## Market Outlook

The tungsten market is entering a new era defined by tension between strong, technology-driven demand growth and a supply chain undergoing a fundamental and geopolitical realignment.

### Demand Outlook: Growth in Traditional and Emerging Sectors

The demand outlook for tungsten is positive, with market demand CAGR forecasts through the 2025-2030 period typically around 5-7%. This growth will be broad-based, with the fastest expansion occurring in high-technology and strategic sectors:

- **Aerospace & Defence:** Sustained geopolitical tensions, rising defence budgets and the continued expansion of commercial space exploration will ensure strong, long-term demand for tungsten's high-performance alloys and dense materials.
- **Electrification of Transport:** EV adoption will likely emerge as a cornerstone of future tungsten demand. Its role is expanding from manufacturing tools to critical in-vehicle components, with potential upside if tungsten is incorporated into advanced battery chemistries.
- **Renewable and Future Energy Systems:** The global energy transition is tungsten-intensive. The metal is used in wear-resistant components for wind turbines and in specialised wires and materials for photovoltaic solar cells. Tungsten is also the leading candidate material for the inner walls (divertors) of nuclear fusion reactors, which must withstand extreme temperatures. The commercialisation of fusion energy is on long dated pathway, but would also represent upside to current tungsten demand.
- **Electronics and Semiconductors:** As electronic devices become smaller, faster, and more complex, the need for tungsten in semiconductor fabrication for creating reliable, microscopic interconnects will continue to grow.

### Supply Outlook: The Race to Diversify

The global supply response to China's market control is underway, proceeding along two parallel tracks: developing new primary production and expanding secondary (recycled) sources.

#### New and Potential Tungsten Projects

Investment is being directed toward developing tungsten resources in geopolitically aligned nations. While these projects can face long lead times and have material capital requirements, they represent the beginnings of a more diversified supply chain. Currently, mines in Western countries contribute less than 13% of the world's tungsten output reflecting the challenge and the opportunity ahead.

Figure 39: Profile of Key Ex-China Tungsten Mining Projects

| Project         | Country        | Stage                | Company                | Total Resource (Mt) | Grade (%) | Contained (t) | Project Status      |
|-----------------|----------------|----------------------|------------------------|---------------------|-----------|---------------|---------------------|
| Los Santos      | Spain          | Care & Maintenance   | Almonty Industries     | 4.1                 | 0.27      | 11,098        |                     |
| Valtreixal      | Spain          | Advanced Exploration | Almonty Industries     | 9.3                 | 0.11      | 9,897         | PFS                 |
| Panasqueira     | Portugal       | Producing            | Almonty Industries     | 20.3                | 0.24      | 47,835        | 588t in 2024        |
| Sangdong        | South Korea    | Development          | Almonty Industries     | 58.7                | 0.44      | 258,898       | 2H25                |
| Wolfram Camp    | Australia      | Advanced Exploration | EQ Resources           | 2.4                 | 0.29      | 7,007         |                     |
| Barruecopardo   | Spain          | Producing            | EQ Resources           | 24.4                | 0.19      | 47,393        | 1,190t in FY25      |
| Mt Carbine      | Australia      | Producing            | EQ Resources           | 38.9                | 0.24      | 92,568        | 488t in FY25        |
| Currais Novos   | Brazil         | Development          | Largo                  | 4.3                 | 0.11      | 4,905         |                     |
| Northern Dancer | Canada         | Development          | Largo                  | 424.6               | 0.10      | 406,936       |                     |
| Hatches Creek   | Australia      | Advanced Exploration | Tungsten Mining        | 12.0                | 0.17      | 20,400        |                     |
| Mt Mulgine      | Australia      | Development          | Tungsten Mining        | 259.0               | 0.11      | 284,900       | 2H29                |
| Watershed       | Australia      | Development          | Tungsten Mining        | 49.4                | 0.15      | 72,210        | DFS                 |
| Mactung         | Canada         | Development          | Fireweed Metals        | 53.7                | 0.70      | 375,112       | 2H29                |
| Pilot Mountain  | USA            | Development          | Guardian Metal         | 12.5                | 0.27      | 34,369        | Scoping Study       |
| Molyhil         | Australia      | Development          | Tivan                  | 4.6                 | 0.26      | 12,083        | PFS                 |
| Sisson          | Canada         | Development          | Northcliff Resources   | 508.0               | 0.06      | 312,219       | DFS                 |
| Springer        | USA            | Development          | Blue Moon Metals       | 2.0                 | 0.47      | 9,549         |                     |
| Hemerdon        | United Kingdom | Development          | Tungsten West          | 326.8               | 0.13      | 408,590       | 1H26                |
| Borralha        | Portugal       | Advanced Exploration | Allied Critical Metals | 11.9                | 0.21      | 24,730        | PFS                 |
| El Moto         | Spain          | Development          | Abenójar Tungsten      | 91.4                | 0.38      | 393,200       | 2H27                |
| Dolphin         | Australia      | Development          | Group 6 Metals         | 11.4                | 0.91      | 103,376       | Into administration |
| Nui Phao        | Vietnam        | Producing            | Masan High-Tech        | 97.4                | 0.18      | 178,620       | 3,400t in 2024      |

Source: MST Access

## Recycling and the Circular Economy

Recycling, or secondary production, is an important and established source of tungsten supply, providing a meaningful contribution to global material security. Recycled material (including both production waste and end-of-life scrap) accounts for around 35% of total raw-material input into the tungsten industry. Within this, end-of-life scrap alone contributes roughly 30%.

Growth in tungsten recycling is expected to continue, supported by persistently high primary-material prices, increasing corporate sustainability commitments, and government initiatives promoting resource circularity. Technological advancements in hydrometallurgical and pyrometallurgical processing are also improving the recovery efficiency and purity of tungsten extracted from diverse scrap streams including worn carbide tools, catalysts, and electronic components.

Although secondary production cannot fully offset the volatility of primary mining or the concentration of supply in China, a stronger recycling ecosystem provides a valuable stabilising influence. Over time, it may help to partially buffer the market against supply disruptions and price shocks driven by geopolitical or regulatory events.

## Supply-Demand Outlook

The tungsten market is transitioning from a commodity market driven purely by economics to a geopolitically driven market where national security and industrial policy become key drivers. This is evidenced by the direct actions of governments: China's use of export controls is being met by Western policies like the U.S. REEShore Act, tariffs, and Department of Defense procurement rules that will prohibit the use of Chinese tungsten in military equipment from 2027. Furthermore, Western governments are now actively funding and supporting the development of mines in allied nations, such as the U.S. DoD's US\$15.8m grant to Canada's Mactung project, and European support for Spain's El Moto project. In a similar vein, the recent establishment of the US-Australia Critical Minerals Framework is making available US\$8.5b in funding for materials including tungsten. Offtake agreements are being structured along these new geopolitical lines, with Almonty Industries committing a significant portion of its future Sangdong mine output to U.S. buyers. This formation of strategic supply blocs means that the viability of new projects will be based not only on their geology and economics but also on their alignment with the supply chain security objectives of major consuming nations

- **Medium-Term:** Supply is expected to remain tight. New projects in Canada, South Korea, Spain and Australia are progressing but will not fully offset China's constrained exports or fulfill the 2027 US sourcing rules. This imbalance points to a period of sustained high prices, with volatility remaining a key feature as the market reacts to policy announcements and supply chain developments.
- **Long-Term:** The supply landscape is expected to be more geographically diverse than it is today. Production from South Korea, Australia, Europe and North America will likely reduce China's share of global mine production from over 80% to a lower, though still dominant, level. Recycling will likely constitute a larger share of supply.

Overall, the outlook for tungsten prices is positive. Prices are likely to remain volatile, subject to global policy decisions. Even in the event of a reversal of Chinese export restrictions, robust demand growth and limited new supply will see prices supported above long-term average levels. Overlaying, ongoing Chinese restrictions in supply will likely support prices at or above current levels over the medium term, providing a supportive backdrop for emerging suppliers for a number of years.

## Personal disclosures

Chris Drew received assistance from the subject company or companies in preparing this research report. The company provided them with communication with senior management and information on the company and industry. As part of due diligence, they have independently and critically reviewed the assistance and information provided by the company to form the opinions expressed in this report. They have taken care to maintain honest and fair objectivity in writing this report and making the recommendation. Where MST Financial Services or its affiliates has been commissioned to prepare content and receives fees for its preparation, please note that NO part of the fee, compensation or employee remuneration paid has, or will, directly or indirectly impact the content provided in this report.

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The companies and securities mentioned in this report, include:

Tungsten Mining NL (TGN.AX) | Price A\$0.225 | Valuation A\$0.670;

*Price and valuation as at 11 December 2025 (\* not covered)*

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