

ASX RELEASE:
31 July 2017

ASX: TAW

CORPORATE DIRECTORY

Non-Executive Chairman
Robert Benussi

Managing Director
Mark Calderwood

Executive Director, CFO & Joint Co. Sec.
Michael Naylor

Joint Company Secretary
Craig Hasson

Quarterly Activities Report

For the quarter to 30 June 2017

Highlights

Bald Hill Lithium Project

- Tawana Resources NL (TAW:ASX) (Tawana) on track to become a low-cost producer of quality spodumene (lithium) concentrate in early 2018 following outstanding results from a Pre-Feasibility Study (PFS) on the Bald Hill Lithium and Tantalum project (Bald Hill or Project)¹ and ^A. Highlights include:
 - Technical and financial viability of a 1.2Mtpa lithium Dense Media Separation circuit (DMS) adjacent to the existing tantalum processing facility (TPF).
 - Forecast annual production of approximately 155,000tpa of spodumene concentrate and 260,000lb/pa of tantalum pentoxide.
 - Exceptional Project economics with an IRR of 185% and payback in approximately 12 months.
 - Lowest capital-cost lithium project in Australia at A\$42M (excluding pre-production operating costs). A\$37.5M already committed to the Project with Tawana earn-in (\$12.5m) and off-take contractual pre-payments (\$25m).
 - Maiden Lithium Ore Reserve of 4.3Mt at 1.18% Li₂O and 208ppm Ta₂O₅ representing approximately 90% conversion of existing Indicated Resources. Additional tantalum Ore Reserve of 1.4Mt at 317ppm Ta₂O₅.
 - Ore Reserve underpins “starter pit” life of 3.6 years. Inferred Resources outside the scope of the PFS are an additional 8.2Mt at 1.14% Li₂O, most of which is contained within scoping level pit optimisation shells, indicating potential for a 10-year mine life prior to resource growth.
 - Long lead items ordered and construction mobilisation commenced. Production scheduled for March quarter 2018.
- Bald Hill Maiden Indicated and Inferred lithium Mineral Resource of 12.8 million tonnes at 1.18% Li₂O and 158ppm Ta₂O₅ at a 0.5% Li₂O cut-off.
- Exploration target area of mineralisation trebled at Bald Hill following successful extensional step-out drilling.
- Tawana earned its 50% interest in the lithium mineral rights at Bald Hill.

Corporate

- As at 30 June 2017, the Company has \$11.2m in cash and \$1.4m in receivables which were received in July 2017.
- The Company raised gross proceeds of \$15.0m in equity to advance the Project and fund Tawana’s obligations to earn its 50% interest in the Project^B.
 - Offtake agreement executed for the supply of lithium concentrate over a five-year term. Pricing for 2018 and 2019 of US\$880/t (FOB Esperance) for 6% Li₂O;
- \$12.5m prepayment of which \$3.75 was received at the end of June 2017. A further \$4.375m was received in July 2017.

¹ All figures throughout this announcement regarding the Project and the PFS are, unless expressly stated otherwise, presented on a 100% of Project basis. Tawana, through its 100% owned subsidiary Lithco No. 2 Pty Ltd, has earned a right to 50% of all lithium minerals from the tenements comprising the Project - refer to announcements of 28 June 2017. Tawana is required to spend \$12.5 million in capital expenditure for upgrading and converting the existing plant on the Bald Hill tenements for processing ore derived from the Project, infrastructure costs, pre-stripping activities and other expenditures including operating costs by 31 December 2019. Upon completion of such capital expenditure commitment, Tawana (through Lithco No. 2 Pty Ltd) will be entitled to a 50% interest in the Project comprising the Bald Hill tenements, the processing plant and infrastructure at Bald Hill, and all minerals from the Bald Hill tenements under the terms of the Bald Hill Joint Venture Agreement (which will only take effect upon satisfaction of the capital expenditure obligation). Refer to announcements of 24 February 2017.

CONTACT DETAILS

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Bald Hill Project (TAW 50% of Lithium Rights, earning 50% of the Project)^B

The Bald Hill Lithium and Tantalum Project ("Project") is located 50km south east of Kambalda in the Eastern Goldfields. It is located approximately 75km south east of the Mt Marion Lithium project and is adjacent to the Company's Cowan Lithium Project. The Project comprises four mining leases, eight exploration licences, eight prospecting licences and five tenement applications totalling 791.3km².

Pre-Feasibility Study^A

Tawana confirmed it is on track to become a low-cost producer of quality spodumene (lithium) concentrate in early 2018 following outstanding results from a Pre-Feasibility Study (PFS). The highlights include:

- Confirmed technical and financial viability of a 1.2Mtpa lithium Dense Media Separation circuit (DMS) adjacent to the existing tantalum processing facility (TPF).
- Forecast annual production of approximately 155,000tpa of spodumene concentrate from the DMS and 260,000lbs pa of tantalum pentoxide from the TPF.
- Maiden Lithium Ore Reserve^C of 4.3Mt at 1.18% Li₂O and 208 ppm Ta₂O₅ representing approximately 90% conversion of existing Indicated Resources. Additional tantalum Ore Reserve of 1.4Mt at 317ppm Ta₂O₅.
- Declared Ore Reserve underpins an initial "starter pit" life of 3.6 years with further growth for the Project expected from infill and extensional drilling. Inferred Resources outside the scope of the PFS are an additional 8.2Mt at 1.14% Li₂O, most of which is contained within scoping level pit optimisation shells, indicating potential for a 10-year mine life prior to resource growth.
- Long lead items have been ordered, and construction mobilisation has commenced under an early works contract. Production is scheduled for the March quarter 2018.

Economics

- Exceptional IRR of 185% and payback in approximately 12 months.
- Lowest capital-cost lithium project in Australia at A\$42M (excluding pre-production operating costs). A\$37.5M already committed to the Project with Tawana earn in (\$12.5m) and off-take contractual pre-payments (\$25m).
- Average EBITDA for "starter pit" life-of-pit of approximately A\$83M per annum.
- Operating cash flow for the "starter pit" of approximately \$223M.
- The NPV_{10%} of the "starter pit" is A\$150M, potential to increase significantly with upgrade of Inferred Resources and inclusion of a low-cost Lithium Fines Circuit.
- Estimated life-of-pit operating cash costs of only A\$508/tonne (US\$381/tonne) of spodumene concentrate FOB (including tantalum pentoxide by-product credits) resulting in a 100% pre-tax margin.

Opportunities for Growth

- Significant opportunity to increase annual production by treatment of stockpiled, screened fines and middling concentrates containing about 25% of mined lithium, through the Lithium Fines Circuit currently under consideration. Approximately A\$117/tonne of operating cash costs carried by the DMS concentrate operating costs.
- Infill drilling on the current additional Inferred Resources of 8.2Mt at 1.14% Li₂O is expected to add significantly to the life of the Project. Extensional drilling also is continuing to grow the total mineralised pegmatite footprint which has expanded laterally by about 40% since the Resource Estimate.



Table 1: Summary of Key Parameters from the PFS “Starter Pit” Financial Model

Life of Mine (LOM)	Years	3.6
LOM Ore Mined (lithium)	Mt	4.3
LOM Ore Mined (tantalum)	Mt	1.4
LOM Waste Mined	Mt	51.5
LOM Strip Ratio	(waste:ore)	9:1
Plant Feed Rate (lithium)	tpa	1,200,000
Plant Feed Rate (tantalum)	tpa	320,000
Average Lithium Ore Head Grade	% Li ₂ O	1.18%
Average Lithium Recovery	%	65.8%
Average Spodumene Concentrate Production	tpa	155,000 (@6% Li ₂ O)
Average Tantalite Pentoxide Production	lbs Ta ₂ O ₅ pa	260,000
Average Tantalum Pentoxide Recovered Grade	Ta ₂ O ₅	25%
Tantalite Forecast Price	US\$/lb FOB	60
Forecast FX rate	AUD/USD	0.75
Initial capital cost (including 10% contingency)	A\$M	42.2 ¹
Offtake Prepayment ³	A\$M	\$25m, received in three instalments being 15 April 2017 (\$A7.5m), 15 July 2017 (\$8.75m) and 15 September 2017 (A\$8.75m).
Repayment of Offtake Prepayment	A\$M	\$25m, 20% of sales until full amount repaid.
Sustaining Capital	A\$M	\$6.1 ²
Average LOM Operating Costs (Real\$)	A\$/t product	641
Average Operating costs (after tantalite credits)	A\$/t product	508
Average Annual EBITDA	A\$M	83.1
NPV (10% Discount Rate, Before Tax)	A\$M	150.2
IRR	%	185.03
Payback	Months	12

1. Pre-production capital costs exclude pre-production operating costs. They are expected to be between A\$10M and A\$22M depending on the financing terms with key contractors (mining and crushing). The financial model has included the upper limit of this range and includes a 10% contingency.
2. Includes a new tailings dam after production has commenced and \$1.0m per year for general sustaining capital. Plant sustaining costs including in process operating costs.
3. Binding Prepayment and Offtake Agreement. Refer to ASX announcement on 26 April 2017.

For further information, a PFS summary is available in the ASX announcement dated 11 July 2017.



Maiden Lithium Resource^d and Reserves^c

Tawana commissioned CSA Global Pty Ltd (CSA Global) to compile a maiden lithium Mineral Resource estimate for the Bald Hill Project and update the tantalum Resource, and during the quarter Tawana announced a Maiden Indicated and Inferred lithium Mineral Resource of:

- 12.8 million tonnes at 1.18% Li₂O and 158ppm Ta₂O₅ at a 0.5% Li₂O cut-off (high grade).

High grade tantalum Resources increased 250% to 8.9 million tonnes at 304ppm Ta₂O₅ containing 6 million pounds of tantalum pentoxide, including 5.7 million tonnes at 311ppm Ta₂O₅ not included in the +0.5% Li₂O lithium resource.

Approximately 80% of the lithium and tantalum resources above 0.5% Li₂O occurs in a 100m deep interval commencing from about 30m below the lowest surface level.

The Maiden Resource covers only 20% of the known southern swarm of lithium pegmatites. Ongoing drilling continues to expand the resource footprint.

The Bald Hill Pegmatite Mineral Resource^c comprises one large, main, sub horizontal pegmatite body, striking north-south, with a strike length of 1,070 metres, and a width at its widest point of 775 metres.

This main body is surrounded by several smaller discrete pegmatite bodies, sub-parallel to the main, which result in a total strike length for the whole resource of 1,245 metres, and a total width of 990 metres. The Mineral Resource has a total vertical depth of 195 metres, beginning 20 metres below the natural surface and plunging gently to the south along its entire strike length.

The Mineral Resource was classified as Indicated and Inferred in accordance with the JORC Code, 2012 Edition on a qualitative basis; taking into consideration numerous factors including drillhole spacing, estimation quality statistics (kriging slope of regression), number of informing samples, average distance to informing samples in comparison to the semivariogram model ranges, and overall coherence and continuity of the modelled mineralisation wireframes.

Table 2 | Bald Hill Project, Resources above 0.5% Li₂O cut-off

Resource Category	Tonnes (Mt)	Grade Li ₂ O %	Contained Li ₂ O Tonnes	Grade Ta ₂ O ₅ ppm	Contained Ta ₂ O ₅ (,000) Lbs
Indicated	4.6	1.25	57,100	207	2,200
Inferred	8.2	1.14	94,300	130	2,500
Total	12.8	1.18	151,400	158	4,700

Table 3 | Bald Hill Project, Resources above 0.5% Li₂O and 200ppm Ta₂O₅ cut-offs

Resource Category	Tonnes (Mt)	Grade Li ₂ O %	Contained Li ₂ O Tonnes	Grade Ta ₂ O ₅ ppm	Contained Ta ₂ O ₅ (,000) Lbs
Indicated	1.9	1.26	23,700	312	1,300
Inferred	1.4	1.10	15,000	291	900
Total	3.2	1.19	38,700	303	2,100

Note

- 1) The tantalum resources form part of the lithium/tantalum resources reported in Table 2.



Table 4 | Bald Hill Project, Resources below 0.5% Li₂O and above 200ppm Ta₂O₅ cut-offs

Resource Category	Tonnes (Mt)	Grade Ta ₂ O ₅ ppm	Contained Ta ₂ O ₅ (,000) Lbs
Indicated	2.8	325	2,000
Inferred	2.9	297	1,900
Total	5.7	311	3,900

Note

1) The tantalum resources reported in Table 4 are additional to those reported in Table 2 and 3.

In July 2017, the Company also announced its maiden lithium Reserve. Refer Tables 5 and 6.

Table 5: Bald Hill Project, Reserves above 0.39% Li₂O

Reserve Category	Tonnes (Mt)	Grade Li ₂ O %	Contained Li ₂ O Tonnes	Grade Ta ₂ O ₅ ppm	Contained Ta ₂ O ₅ (,000) Lbs
Proven	-	-	-	-	-
Probable	4.3	1.18	50,800	208	2,000
Total	4.3	1.18	50,800	208	2,000

Notes

1) Allows for mining ore loss of 5% and dilution of 5%

Table 6: Bald Hill Project, Reserves below 0.39% Li₂O and above 200ppm Ta₂O₅ cut-offs

Reserve Category	Tonnes (Mt)	Grade Li ₂ O %	Contained Li ₂ O Tonnes	Grade Ta ₂ O ₅ ppm	Contained Ta ₂ O ₅ (,000) Lbs
Proven	-	-	-	-	-
Probable	1.4	0.21	3,000	317	1,000
Total	1.4	0.21	3,000	317	1,000

Notes

1) Allows for mining ore loss of 5% and dilution of 5%

2) Reserves contained in Table 6 are additional to those reported in Table 5.

Early works commenced

Tawana has commenced early works, including the ordering of long lead capital items, for the development of Bald Hill.

Work on critical path items has also commenced to ensure that appropriate infrastructure, permits, access and logistics support are also in place.

In addition, Tawana has conducted site clearing on existing disturbed areas ready for construction and early operations, including mobilisation of key construction personnel to site.

The Company secured the use of the 150-room Lanfranchi camp from Panoramic Resources Limited under a six-month rental agreement to 1 December 2017 with a further six-month option, to house the construction team during commissioning.

The camp is 40km from the Bald Hill Mine and significantly reduces the Company's upfront capital costs. The Company will assess the merits of expanding the 40-room camp at Bald Hill after production has commenced.



Exploration

Drilling aimed at extending the zone of mineralisation at Bald Hill was successful, trebling the size of the target area originally defined in January 2017. The extended area contained the most significant lithium results to date.

Significant results from the eastern high-grade extension included (refer ASX Announcement dated 25 May 2017)^E:

- 57m at 1.62% Li₂O from 161m, including 47m at 1.77% Li₂O in LRC0348;
- 38m at 1.48% Li₂O from 134m in LRC0456;
- 28m at 1.49% Li₂O from 129m including 25m at 1.63% Li₂O in LRC0454;
- 10m at 2.58% Li₂O from 83m including 7m at 3.46% Li₂O in LRC0347;

This mineralised zone remains open to the east and south.

Significant results from the south-western extension included:

- 24m at 1.29% Li₂O and 239ppm Ta₂O₅ from 135m in LRC0405;
- 7m at 1.33% Li₂O from 107m and 15m at 1.42% Li₂O from 155m in LRC0407;
- 12m at 1.31% Li₂O and 306ppm Ta₂O₅ from 126m in LRC0411;
- 6m at 1.75% Li₂O and 448ppm Ta₂O₅ from 99m and 10m at 1.28% from 137m in LRC0425;
- 14m at 1.52% Li₂O and 268ppm Ta₂O₅ from 106m and 15m at 0.73% Li₂O and 402ppm Ta₂O₅ from 141m in LRC0426;
- 12m at 0.96% Li₂O and 325ppm Ta₂O₅ from 113m and 10m at 1.76% Li₂O and 338ppm Ta₂O₅ from 164m in LRC0427;
- 15m at 1.21% Li₂O from 113m, 4m at 1.86% from 144m and 8m at 0.81% Li₂O and 322ppm Ta₂O₅ from 159m in LRC0404.

This mineralised zone remains open to the west and south.

Other significant results included (Refer ASX Announcement dated 19 April 2017)^E:

- 35m at 1.35% Li₂O from 71m, including 10m at 1.62% Li₂O, 6m at 1.61% Li₂O and 6m at 1.75% Li₂O in LRC0247;
- 28m at 1.34% Li₂O and 343ppm Ta₂O₅ from 92m including 12m at 2.06% Li₂O and 464ppm Ta₂O₅ in LRC0226;
- 12m at 1.16% Li₂O from 95m and 11m at 1.96% Li₂O from 131m including 5m at 3.14% Li₂O in LRC0237 (also see tantalum intercepts below)
- 26m at 1.13% Li₂O and 309ppm Ta₂O₅ from 17m including 5m at 1.99% Li₂O in LRC0187; and
- 12m at 1.64% Li₂O and 219ppm Ta₂O₅ from 85m in LRC0229.

Significant tantalum pentoxide intercepts included:

- 4m at **14,782ppm** (14.78kg/t) Ta₂O₅ and 9,974ppm Nb₂O₅ from 78m in LRC0237;
- 8m at **2,468ppm** Ta₂O₅ from 27m including 2m 7,022ppm (7.02kg/t) Ta₂O₅ and 0.82% Li₂O in LRC0317;
- 4m at 1,246ppm Ta₂O₅ from 47m including 1m at 4,211ppm Ta₂O₅ in LRC0318;
- 11m at 729ppm Ta₂O₅ and 1.72% Li₂O from 134m in LRC0222; and
- 6m at 976ppm Ta₂O₅ and 1.63% Li₂O from 154m in LRC0224.



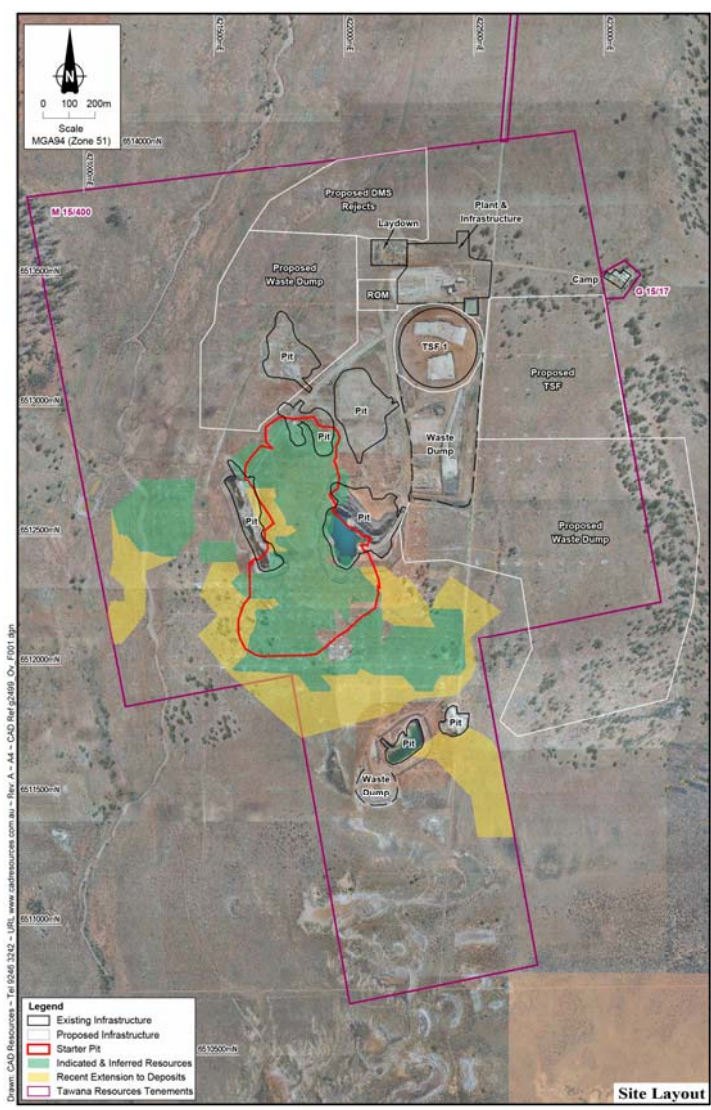


Figure 1 | Bald Hill Project Layout Plan

Cowan Lithium Project

The Cowan Lithium Project is located 50km south-east of Kambalda in the Goldfields region of Western Australia, approximately 75km south-east of the Mt Marion lithium project and comprises three tenements totalling 159km². The tenements are adjacent to the Bald Hill Mine, at which the Company is expected to commence lithium production in 2017. The Cowan Project contains many LCT pegmatites some of which are proven to contain significant spodumene. No significant exploration was conducted on Cowan during the quarter.

Yallari Project

Tawana exercised its option to acquire four tenements, one of which is a 41.2km² application which forms part of the Company's Yallari project located 6km west of the Mt Marion lithium mine (75km NW of the Cowan Project). The tenement contains numerous pegmatites in the same host-rock sequence as Mt Marion and located close to the Depot Hill granodiorite.



No exploration for lithium has been undertaken to date, however the project is considered highly prospective.

Uis Project, Namibia

During the quarter, Tawana decided not to proceed with the Uis project in Namibia, as initial metallurgical testwork results were not sufficiently encouraging and due to the significant time commitments associated with developing the Bald Hill Lithium and Tantalum Mine. The Company sold the holding company that held the rights to the the Uis stockpiles back to the original vendors for \$1.

Mofe Creek Iron Pre Project, Liberia

The Company is continuing with the negotiation Tawana's Mineral Development Agreement ("MDA") with the Government of the Republic of Liberia.

The MDA is an agreement outlining the technical, commercial and social/environmental commitments to be undertaken to build, operate and sustain a project within Liberia, and is a legislative document passed as a bill in parliament for a term of 25 years.

Corporate

Cash position and movements

As at 30 June 2017, Tawana Resources held \$11.2 million in cash. The Company also was owed \$0.56m from its joint venture partner Alliance Mineral Assets Limited (AMAL) (received in July 2017) and \$0.91m from its quarterly BAS return.

Tawana completed a \$15.0 million placement (gross) from the issue of 60 million new fully paid ordinary shares in the Company at an issue price of A\$0.25 per share.

In May 2017, Tawana made a prepayment of \$3,750,000 to Primero for the early works program highlighted above.

For further movements in the cash during the quarter, refer to the Appendix 5B.

Lithium Offtake Agreement and Prepayment

In April 2017, the Company signed a binding long-term exclusive lithium concentrate offtake agreement (Agreement) with a 100% owned subsidiary of Burwill Holdings Ltd (Burwill), a company listed on the main Board of The Stock Exchange of Hong Kong Limited (stock code 0024).

The Agreement is for the supply of lithium concentrate from the Bald Hill Project in Western Australia over an approximate initial five year term.

Tawana and AMAL have sold its 2018 and 2019 lithium ore concentrate that comes from the planned Bald Hill Lithium and Tantalum Project. The key terms of the offtake are as follows:

- A fixed price for all production for 2018 and 2019 of US\$880/t (FOB Esperance) for 6% Li₂O with price adjustment increment/decrement of US\$/15t based on grade variation of 0.1%. The minimum accepted grade is 5.5%.
- From 2020 to 2023, the sales price and volumes are to be negotiated and will be agreed based upon prevailing market conditions at the time.
- The parties may extend the agreement beyond 31 December 2022 each year provided a price and quantity can be agreed by both parties.



A condition precedent to the offtake agreement is that Tawana must have earned its 50% interest in the Bald Hill Project as outlined in the Farm-in Agreement between Lithco No 2 Pty Ltd (Lithco), a 100% owned subsidiary of Tawana Resources NL and AMA.

Prepayment

Burwill also agreed to advance Tawana and AMA a combined amount of A\$25,000,000 in total ("Advance Payment Amount") in the amounts and on the dates set below:

- A\$3,750,000 (to each Tawana and AMA) was received on signing the Agreement;
- On 15 July 2017, A\$4,375,000 to each of Tawana and AMA (this has also been received); and
- On 15 September 2017, A\$4,375,000 to each of Tawana and AMA.

The Advance Payments shall be used for the development and operational costs of the Bald Hill Project.

No interest is payable in respect of the Advance Payment Amount. The Parties shall repay the outstanding Advance Payment Amount through 20% of the value of each shipment of lithium concentrate until such time as Burwill has been reimbursed in full for the aggregate amount of the Advance Payments.

Lithium Joint Venture Earn In Completed

In May 2017, spent the required \$7,500,000 to earn a 50% interest in all lithium rights at the Bald Hill Mine tenements. Accordingly, the Lithium Rights Joint Venture Agreement (Lithium Rights JVA) entered into on 10 April 2017 over the lithium rights at the Bald Hill tenements, came into effect on 31 May 2017 as determined by an independent auditor on 23 June 2017.

Bald Hill Joint Venture Agreements Finalised

In addition, Lithco in conjunction with AMA (collectively, the "Parties") on 18 April 2017 finalised the Bald Hill Joint Venture Agreement (Bald Hill JV) with respect to the Bald Hill Lithium and Tantalum Project in Western Australia for the purpose of joint exploration and exploitation of lithium and other minerals.

The Bald Hill JV formalises that the Parties have agreed to associate themselves in a joint venture (subject to Lithco having earned its 50% interest), and outlines the terms and conditions in which the joint venture will conduct exploration and, if warranted, mining operations of lithium and all minerals on the Bald Hill tenements.

This concluded and finalised all agreements necessary for the Bald Hill Project.

Tawana is still required to spend \$12.5 million in capital expenditure for upgrading and converting the plant for processing ore derived from the Project, infrastructure costs, pre-stripping activities and other expenditures including operating costs by 31 December 2019.

Upon completion of the Capital Expenditure, Tawana will be entitled to a 50% interest in the Project (being all minerals from the tenements and the processing plant and infrastructure at Bald Hill).

Appointment of Corporate Advisor

Given the level of interest from both the capital markets and potential offtake partners to be involved in financing the development of the Project, Tawana engaged Canaccord Genuity (Australia) Limited to provide corporate advisory services.



Change of Company Secretary

Mr Craig Hasson was appointed as Joint Company Secretary of the Company effective 24 May 2017. Mr Hasson was appointed Commercial Manager of the Company in March 2017. He is a Chartered Accountant with over 15 years of accounting and finance experience with a number of ASX listed companies in company secretary and senior finance roles.

Ms Melanie Li resigned as Joint Company Secretary and has remained as Financial Controller of the Company.

Change of Address

From 1 July 2017, Tawana's registered office and principal place of business changed to Level 3, 20 Parkland Rd, Osborne Park WA 6017.

The Company's telephone numbers were unchanged.



Tawana Resources NL Tenements

Tenement	Location	Registered Owner	Structure and Ownership
Mofe Creek Iron Ore Project			
MEL-12029 Mofe Creek	Liberia	Tawana Liberia Inc	100%
MEL-1223/14 Mofe Creek Sth	Liberia	Tawana Liberia Inc	100%
Cowan Lithium Project			
E15/1205	Western Australia	Mt Belches Pty Ltd	100%
E15/1377	Western Australia	Mt Belches Pty Ltd	100%
E15/1446	Western Australia	Mt Belches Pty Ltd	100%
Yallari Project			
E15/1401	Western Australia	ABEH Pty Ltd	Pending, 100%
E15/1526	Western Australia	Mt Belches Pty Ltd	100%
Bald Hill Mine			
M15/400	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M15/1470	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M15/1811	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M15/1305	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M15/1308	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M59/714	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
G15/17	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/265	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/266	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/267	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/268	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/269	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
L15/270	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5465	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5466	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5467	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5862	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%



P15/5863	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5864	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5865	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
P15/5866	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
R15/1	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1058	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1212	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1161	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1162	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1166	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1353	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1066	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
E15/1067	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%
M15/1811	Western Australia	Alliance Mineral Assets Limited	0%, Earning in 50%

Mining Tenements disposed: Nil

Mining Tenements acquired: Nil

Beneficial percentage interests held in farm in or farm-out agreements: Refer above.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Mark Calderwood and Mr Gareth Reynolds, both employees of Tawana Resources NL ("Tawana"). Mr Calderwood is a member of The Australasian Institute of Mining and Metallurgy and Mr Reynolds is a member of the Australian Institute of Geoscientists. Mr Calderwood and Mr Reynolds have sufficient experience relevant to the style of mineralisation under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Calderwood and Mr Reynolds consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

Mr Calderwood is a significant shareholder in Tawana. Mr Calderwood and Tawana do not consider these to constitute a potential conflict of interest to his role as Competent Person. Mr Calderwood is not aware of any other relationship with Tawana which could constitute a potential for a conflict of interest.

Mr Reynolds is an employee of Tawana. Mr Reynolds is not aware of any other relationship with Tawana which could constitute a potential for a conflict of interest.

Forward Looking Statement

This report may contain certain forward looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Tawana Resources NL. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.



Tawana Resources NL does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither TAW or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of TAW, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this presentation.

End Notes

A: All figures throughout this announcement regarding the Project and the PFS are, unless expressly stated otherwise, presented on a 100% of Project basis. Tawana, through its 100% owned subsidiary Lithco No. 2 Pty Ltd, has earned a right to 50% of all lithium minerals from the tenements comprising the Project - refer to announcements of 28 June 2017. Tawana is required to spend \$12.5 million in capital expenditure for upgrading and converting the existing plant on the Bald Hill tenements for processing ore derived from the Project, infrastructure costs, pre-stripping activities and other expenditures including operating costs by 31 December 2019. Upon completion of such capital expenditure commitment, Tawana (through Lithco No.2 Pty Ltd) will be entitled to a 50% interest in the Project comprising the Bald Hill tenements, the processing plant and infrastructure at Bald Hill, and all minerals from the Bald Hill tenements under the terms of the Bald Hill Joint Venture Agreement (which will only take effect upon satisfaction of the capital expenditure obligation). Refer to announcements of 24 February 2017.

All material assumptions underpinning the Production Targets detailed in this report (including all financial information derived from those production targets) are detailed in the ASX announcement dated 11 July 2017 and Tawana confirms those assumptions continue to apply and have not materially changed.

B: Through Tawana's 100% owned subsidiary Lithco No. 2 Pty Ltd (Lithco), Tawana entered into a Farm-In Agreement on 23 February 2017 with AMAL with respect to the Bald Hill Project for the purpose of joint exploration and exploitation of lithium and other minerals. In May 2017, Tawana earned its 50% rights to all lithium minerals from the tenements comprising the Project, and Tawana and AMAL are now governed by the Lithium Rights Joint Venture Agreement which was entered into on 10 April 2017.

Tawana is required to spend \$12.5 million in capital expenditure for upgrading and converting the existing plant on the Bald Hill tenements for processing ore derived from the Project, infrastructure costs, pre-stripping activities and other expenditures including operating costs (Capital Expenditure) by 31 December 2019.

Upon completion of the Capital Expenditure, Tawana (through Lithco) will be entitled to a 50% interest in the Project (being all minerals from the tenements and the processing plant and infrastructure at Bald Hill). The portfolio of mineral tenements, comprising mining leases, exploration licences, prospecting licences, miscellaneous licences, a general-purpose lease, and a retention lease are in good standing.

AMAL and Lithco entered into the Bald Hill Joint Venture Agreement ("Bald Hill JVA") on 18 April 2017. The Bald Hill JVA has not come into effect as at the date of this announcement, but will take effect upon completion of the Capital Expenditure.

Tawana raised \$15 million before costs, in May 2017, in order to fund its \$12.5 million Capital Expenditure commitment to earn its 50% interest in the Project.

C: Refer to how the Ore Reserve estimates were derived in Section 4 of the Company's ASX announcement dated 11 July 2017. Tawana is not aware of any new information or data that materially affects the information included in said announcement.

D: All material assumptions and technical parameters underpinning the Mineral Resource estimates in the ASX announcement dated 14 June 2017 continue to apply and have not materially changed since it was last reported.

E: For full details of these Exploration Results refer to ASX announcement. Tawana is not aware of any new information or data that materially affects the information included in the said announcement.

