

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
Share code on the JSE Limited: TAW
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("Tawana" or "the Company")

65km Strike Length of Highly Prospective Iron Formation Interpreted

HIGHLIGHTS

- Aeromagnetic survey completed and data processed
- 65km strike length of prospective iron formation interpreted
- High priority target areas defined
- Friable itabirite and DSO magnetite confirmed in outcrop and hand auger drilling
- Field mapping and hand auger drilling underway
- Drilling planned for fourth quarter 2012

Tawana Resources NL (ASX: TAW) is pleased to announce the results of the aeromagnetics survey for the Company's 100% owned Mofe Creek project and JV strike extensions which was completed one month ahead of schedule.

The Mofe Creek Project is located within one of Liberia's historic premier iron ore mining districts. The project is 10km along strike from the abandoned Bomi Hills iron ore mine. Historic production at Bomi Hills is estimated by the Government of Liberia at 50Mt of high-grade DSO magnetite lump in addition to high-grade sinter feed beneficiated from itabirite (recrystallised banded iron formation). Reconnaissance rock-chip sampling by Tawana has confirmed the presence of DSO magnetite and friable itabirite in outcrop. The Project is well positioned for possible future infrastructure scenarios; road or rail to the Monrovia deep sea port or road to coast and transshipment via barge to deeper water for onward shipment.

Len Kolff, MD Tawana Resources 'This represents a great result to get the survey completed and processed 1 month ahead of schedule', further adding 'The results clearly define our target areas in addition to new areas and also provide valuable insights into the broader structural setting; a real bonus for target generation'.

'We are very pleased with the results of the survey and it brings us closer to discovering a significant mineralized system within an historic iron ore province' he said.

The survey was flown by Aeroquest Airborne of Perth, WA, a member of the Aeroquest International group of companies. The survey was by PAC-750XL fixed wing aircraft at 200m line spacing and 50m ground clearance. Survey QC was managed by Southern Geoscience Consultants of Perth and after all checks of data met quality control requirements specified within the agreement.

Results of the survey clearly identify the extents of the itabirite and its structure. Folding and faulting is clearly evident within the itabirite enhancing structural preparation for the development of mineralization. Over 65km strike length of itabirite can be interpreted from the aeromagnetics which is in excess of previous estimates. Four high priority target areas are evident within the Company's 100% owned license with

additional targets occurring within the JV strike extension zones. Folding and repetition of the itabirite within the highest priority targets appears to have caused thickening of the iron formation enhancing prospectivity.

[Recently acquired aeromagnetics data; analytical signal above showing structure within iron formation and vertical integral of analytical signal below showing four key target areas in hot colours - this image has been removed for SENS purposes]

Field mapping is underway and the Company has successfully trialed hand auger drill tools as an alternative to trenching and pitting during the wet season. This has allowed for safer, faster, less invasive and more cost effective access into areas of no outcrop within target areas. Hand auger drilling effectively penetrates areas of friable itabirite with hole depths averaging 3.8m and reaching up to 5.7m depth.

[Left: Hand auger drill core and chips in to friable high-grade itabirite tending towards friable hematite/magnetite. Right: Deeper hand auger drill core and chips into friable itabirite (assays pending) - this image has been removed for SENS purposes]

Previously reported rock chip sampling indicates the iron formation averages 35-50% Fe, 20-45% SiO₂, 0.7% Al₂O₃, <0.01% P and 1.32% LOI from approximately 72 samples. The iron formation is medium to coarse grained, sugary laminated quartz-magnetite +/- hematite with an average grain size of 2-5mm at varying degrees of weathering. Where strongly weathered, the itabirite is less magnetic and easily crumbled by hand to liberate iron oxides from quartz gangue.

High-grade weathered friable DSO hematite/magnetite and massive DSO magnetite sampled in outcrop returned on average 63.8% Fe, 3% SiO₂, 2.4% Al₂O₃, 0.08% P and 2.6% LOI in 3 samples to date. No sulphur and below detection or at detection limit Ti, V or Cr was recorded within the samples.

[Left: Outcropping itabirite with massive magnetite. Right: Very coarse grained (2-5mm) and high grade (45% Fe) itabirite - this image has been removed for SENS purposes]

[Historic 'Western Cluster' iron ore province and associated deposits over regional aeromagnetics image- this image has been removed for SENS purposes]

Bomi Hills produced high-grade direct shipping ore (DSO) magnetite in addition to magnetite concentrate beneficiated from itabirite (metamorphosed and re-crystallised banded iron formation). DSO magnetite averaged 64.5% Fe, 4.5% SiO₂, 1.5% Al₂O₃ and 0.13% P, of which 53% formed lump material (average 11-37mm) and 47% formed fines (<11mm). The beneficiated itabirite concentrate averaged 64% Fe, 6% SiO₂ and 0.04-0.05% P and was used to produce sinter feed (Gruss, 1973).

The genesis of the Bomi Hills magnetite deposit is not clearly understood, however, general consensus is that it is hypogene and represents an itabirite that has come into direct contact with rising gneissic fronts and deep seated intrusions causing enrichment to coarse massive magnetite by metamorphic differentiation (Gruss, 1973). Magnetite mineralisation is in direct contact with gneissic basement and is partially blind.

Infrastructure and Access

The Project is well positioned for possible future infrastructure scenarios; road or rail to the deep water port of Monrovia or road to coast and transshipment via barge to deeper water for onward shipment. A well-maintained 100km long sealed road exists from the central licence area to the city of Monrovia. In addition to this a decommissioned iron ore railway alignment* exists from the Bomi Hills mine to the port of Monrovia; 20km east from the easternmost magnetic anomaly. Rail distance from Mofe Creek to the port of Monrovia is 65km.

Alternatively the Project area is approximately 25km from the coast for possible stand-alone haul road construction, trucking and transshipment via barge to deeper water for on shipment.

[License area relative to historic Bomi Hills mine, coast, decommissioned rail alignment, roads and port of Monrovia- this image has been removed for SENS purposes]

[Left: Aerial view of Monrovia port looking south-west. Right: Decommissioned railway bridge next to national highway- this image has been removed for SENS purposes]

Next Steps

The company will continue its infill mapping and hand auger drilling programme across key target areas over the coming months with the aim to define DSO lump magnetite and friable itabirite targets for drilling in the fourth quarter 2012.

For further information please contact:

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PricewaterhouseCoopers Corporate Finance (Pty) Ltd

Reference: Gruss, H, 1973. Itabirite iron ores of the Liberia and Guyana Shields. In: Genesis of Precambrian iron and manganese deposits; Proc. Kiev. Symp., 1970 (Earth Sciences 9).

*Footnote: the railway line/alignment falls under the Western Cluster project currently owned by Elenilto Minerals and Mining and subject to a Joint Venture with India's largest producer and exporter of iron ore in the private sector; Sesa Goa.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Lennard Kolff van Oosterwijk, who is a Member of the Australian Institute of Geoscientists included in a list promulgated by the ASX from time to time. Lennard Kolff van Oosterwijk is a full-time employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Lennard Kolff van Oosterwijk consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.