

Tawana Resources NL
(Incorporated in Australia)
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("Tawana" or "the Company")

DRILLING RESULTS CONFIRM HIGH GRADE DSO MINERALISATION

PLEASE NOTE: ALL GRAPHICS HAVE BEEN REMOVED FOR SENS PURPOSES. PLEASE REFER TO TAWANA WEBSITE FOR THE COMPLETE ANNOUNCEMENT

Highlights

- Results received from the diamond drill program, consisting of a six holes for 376.5m, have confirmed the presence of high grade Direct Shipping Ore (DSO) style mineralisation and high grade friable iron formation from the newly discovered Goehn Prospect.
- Excellent results from XRF analysis included:
 - o GSEDD04; 14m @ 61.1% Fe from 28m
 - o GSEDD01; 11m @ 60.2% Fe from 1m
 - o GSED03; 28m @ 51.5% Fe from 1m including 4m @ 63.3% Fe from 1m
 - o GSED05; 22m @ 54.5% Fe from surface including 12m @ 62.1% Fe from 3m
- Drilling results and rock chip samples have identified a DSO zone over 500m of strike, a width of 100m and an average thickness of 15m.
- Striking similarities between lithologies and mineralisation styles intersected at Goehn and typical Bomi Hills cross sections.
- These results in conjunction with the MOU port services agreement with Wisco/CAD1 (refer ASX Announcement on 18 May 2015) support the potential for a low cost DSO mining operation.
- The Company is considering a range of potential options to unlock value for shareholders, including joint venture or outright sale options.

Tawana Resources NL ("Tawana" or the "Company") is pleased to announce that diamond drilling has confirmed the presence of high grade DSO hematite mineralisation, with iron grades up to 66% Fe, located a short trucking distance to the operating port of Freeport, Monrovia.

Six diamond drill holes (376.5m) were drilled over the north east section of the Goehn Prospect where there was a concentration of high grade

Magnetite/Hematite mineralisation mapped and samples reported an average grade of 66% Fe (Refer to ASX Announcement of 8 July 2015)2.

Six diamond holes were drilled across two lines 200m apart on nominal 50m drill spacing. The program was designed to test at depth the identified DSO and high grade friable iron formation from previous field work. The program was successful as all the holes intersected either DSO or high grade friable iron formation or a combination of both, see Figure 3.

The core was processed on site with assays taken every meter by a hand held XRF machine with appropriate QAQC procedures followed. Table 2 lists all significant assay results from the six drilled holes.

Hole ID	Hole Type	East	North	RL	Dip	Azimuth	Hole depth (m)
GSEDD01	NQ core	269,303	755,744	107	-50	330	40
GSEDD02	NQ core	269,337	755,694	96	-50	330	66
GSEDD03	NQ core	269,431	755,856	93	-50	305	53.4
GSEDD03A	NQ core	269,431	755,847	92	-60	305	77.4
GSEDD04	NQ core	269,397	755,879	110	-50	305	68.4
GSEDD05	NQ core	269,361	755,910	112	-50	125	71.3

Co-ordinate system: UTM WGS84 Zone 29N

Table 2. Significant assay results

Hole ID	Depth From (m)	Depth To (m)	Intersection (m)	Fe %	Si %	Al %	P %	S %
GSEDD001	1	12	11	60.2	1.8	6.3	0.03	BDL
	20	36	16	45.0	4.4	5.7	0.03	BDL
GSEDD002	3	14	11	50.9	2.1	4.7	0.01	BDL
	27	45	18	44.9	5.2	5.2	0.02	0.08
	51	66	15	44.5	3.2	1.6	0.02	BDL
GSEDD003	1	29	28	51.5	1.1	1.4	BDL	BDL
<i>including</i>	1	5	4	63.3	0.6	0.8	BDL	BDL
GSEDD003A	Surface	11	11	52.9	1.7	2.2	BDL	BDL
<i>including</i>	1	5	4	60.9	1.4	1.7	BDL	BDL
GSEDD004	2	20	18	51.2	1.3	1.9	BDL	BDL
<i>including</i>	4	9	5	59.0	0.8	1.3	BDL	BDL
	28	42	14	61.1	0.9	1.3	BDL	BDL
	49	62	13	51.7	1.0	0.7	BDL	BDL
GSEDD005	Surface	22	22	54.5	1.6	2.0	BDL	BDL
<i>including</i>	3	15	12	62.1	1.4	1.8	BDL	BDL
	26	35	9	52.1	1.9	3.1	BDL	BDL
<i>including</i>	31	34	3	62.1	1.8	3.2	BDL	BDL
	41	48	7	55.0	2.0	2.3	BDL	BDL
<i>including</i>	45	48	3	63.6	1.8	2.1	BDL	BDL
	50	66	16	49.8	1.2	1.4	BDL	BDL

Note: All results reported using a handheld XRF machine and are considered semi-quantitative in nature.
BDL = Below detection limit.

Bomi Hills Analogue and Significance of Drilling Program

Initial geological observations from drilling at the Goehn Prospect highlights the similarities in lithology and mineralisation setting as reported at the Bomi Hills mine.

The Goehn Prospect is along strike from the abandoned Bomi Hills iron ore mine which was in production from 1951 to 1977. Historic production at Bomi Hills is poorly documented; however estimated historic production by the Government of Liberia is 50Mt of high-grade DSO lump magnetite in addition to high-grade beneficiated sinter feed concentrate. 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). Friable iron formation was beneficiated through Humphrey Spirals and a magnetic separator to produce sinter feed concentrate averaging 64% Fe, 6% SiO₂ and 0.04-0.05% P (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 causing enrichment to coarse massive magnetite by metamorphic differentiation (Gruss, 1973). Magnetite mineralisation is in direct contact with gneissic basement and is partially blind.

The Bomi Hills cross section at figure 4 has striking similarities between the lithologies intersected at Goehn (Refer Figure 3).

Drilling at Goehn has intersected a similar package of friable iron formation transitioning into hard iron formation from surface, through mafic schist and into footwall gneiss basement. DSO has been intersected within and directly below the mafic schists over variable widths and to a current average of 15m.

Potential DSO Start Up

The DSO mineralisation defined within the Goehn Prospect falls within 6km of the bitumen road between the Mofe Creek Project area and the operational port of Monrovia; only 85km away (Refer Figure 5). This new discovery represents a strategic opportunity to structure an early-start-up operation with minimal capital intensity, using the existing highway and a working port within Monrovia. The mineralisation is readily accessible and presents from surface.

The Goehn Prospect also supports the opportunity for a potential early start-up, lowcapital intensity mining and trucking operation within the initial years of production and project life cycle. Due to the hematite DSO style mineralisation discovered, a beneficiation process may not be required at start-up and will only be introduced as the mineralisation transitions from DSO into friable itabirite mineralization. This mining methodology ensures the delayed capital requirements of a processing facility and allows the wet plant to be potentially funded from

cashflow and/or strategic debt, once the Company is operational and generating an income.

This potential development is further enhanced by the infrastructure sharing MoU executed between the Company and WISCO-CAD; the owner-operator of the Monrovia port iron ore handling facilities (refer ASX announcement of 18 May 2015).

About Tawana (ASX & JSE: TAW)

Tawana Resources NL is an ASX and JSE-listed Company with its principal project in Liberia, West Africa. Tawana's 100% owned Mofe Creek Iron ore Project lies in the heart of Liberia's historic iron ore district, located 20km from the coast and 85km from the country's capital city and major port, Monrovia.

Tawana is committed to realising value from the Mofe Creek project, which covers 475km² of highly prospective tenements in Grand Cape Mount County, with all options open to consideration including potential joint venture or royalty positions with third parties. The Project hosts DSO and high-grade friable itabirite mineralisation which can be upgraded to a superior quality iron ore product in the 64-68% Fe grade range.

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Detailed information on all aspects of Tawana's projects can be found on the Company's website www.tawana.com.au

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Competent Persons Statement

The information in this report that relates to Exploration Results and Resources is based on information compiled by Shane Tomlinson, who is a member of the Australian Institute of Geoscientists. Shane Tomlinson 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Shane Tomlinson consents to the inclusion of the matters in this report based on his information in the form and context in which it appears.

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.

Notes

1 Disclaimer:

- (i) the MOU represents a non binding intention of the parties to negotiate a formal cooperation agreement in good faith. The parties are yet to agree on any definitive operational, commercial and/or legal terms (including tonnage capacity or delivery schedules) for the cooperation agreement;
- (ii) the obligation to negotiate in good faith comes to an end on the earlier of execution of a definitive cooperation agreement or 31 December 2015; and
- (iii) there is no certainty or assurance that parties will reach a final agreement on the terms of the cooperation agreement.
- (iv) Refer to ASX announcement on 18 May 2015 for further information.

2: Tawana is not aware of any new information or data that materially affects the information included in the said announcement.

APPENDIX 1

JORC 2012 Table 1 assessment

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Diamond drill (DD) core was sampled at one metre intervals. Drill core samples were analysed by handheld XRF using continuous reading mode over the entire length of sample. The average is then recorded for the sample length. This is carried out four times with the average of the runs recorded as the final average.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> NQ core was collected from a portable diamond drill machine.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative 	<ul style="list-style-type: none"> The sample recovery and physical state were recorded. Sample recovery of the diamond core is

	<p>nature of the samples.</p> <ul style="list-style-type: none"> • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>recorded on core blocks after each run and recorded in the logging.</p> <ul style="list-style-type: none"> • Sample recovery varied from poor to 100% due to the weathered nature of the material. Across the entire six holes drilled recovery averaged 75%.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All diamond core were geologically logged in the field by qualified geologists. Lithological and mineralogical data is recorded for all drill holes using a coding system developed specifically for the Project.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all subsampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • All samples were dried prior to analysis at room temperature • Blanks and certified reference materials were inserted every 10th sample. • No sub sampling techniques were carried out on the original core sample.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the 	<ul style="list-style-type: none"> • Assaying was by handheld XRF instrument Olympus Delta Premium GeoChem (Mining Plus) Analyzer using geochem mode.

	<p>analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Continuous reading mode was used over the sample length with a total of 4 readings per sample. • The instrument automatically calculated an average grade from the readings per sample. • The instrument automatically calibrates on a daily basis. • Blanks and certified reference material standards were inserted every 10th sample and acceptable levels of accuracy and precision have been established.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Comparison studies of handheld XRF results reported were consistently lower when compared with laboratory analysis reported previously. • No twinned holes are reported as part of this submission. • All mapping data is collected manually in the field and entered subsequently into excel spreadsheet mapping and rock chip database. • All handheld XRF data is collected in the field office and downloaded from the instrument to excel spreadsheet. • No adjustments have been made to the

		assay data.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • All collar points have been surveyed using handheld GPS instrument on WGS 84 UTM zone 29N grid system. • No topographic control is reported as part of this submission.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drill spacing was based on two lines 200m apart with a nominal spacing of 50m. • Collar locations were generally selected based upon outcrop available and maintaining the preferred drill pattern. • Sampling distribution is considered sufficient for reporting of exploration results. • Sample compositing to 1m has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Sampling orientation is dictated by presence of outcrop. Where possible, rock chip sampling has been conducted perpendicular to regional strike. • No drilling results are reported as part of this submission.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • All core have been securely stored at the project field office.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Sampling techniques and data were regularly reviewed by internal company

		staff.
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SECTION 2 REPORTING OF EXPLORATION RESULTS (CRITERIA LISTED IN THE PRECEDING SECTION ALSO APPLY TO THIS SECTION).

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> MEL 1223/14 is located within the Grand Cape Mount county of Liberia and is 100% held by Tawana Liberia Inc, a wholly owned subsidiary of Tawana Resources NL. There are no known impediments or material issues related to security of tenure at the time of reporting.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Mofe Creek project is a grassroots discovery with no previous mineral exploration or other work completed.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Mofe Creek project is characterised by a series of itabirite hosted iron ore deposits of likely Archean or Palaeoproterozoic age as possible strike continuations of the historic Bomi Hills and Bong Range mines. Mineralisation is hosted within banded iron formations (BIFs) that have undergone regional metamorphism and recrystallization to itabirite and likely additional recrystallization to coarse grained, coarsely banded magnetite-hematite itabirite as seen today. A minimum of one and up

		<p>to three major itabirite bands are recognised stratigraphically of both silicate and oxide iron formation facies and interbedded with metasediments (variably garnet overprinted), Fe rich mafics and quartzites. Collectively the iron units and interbedded metasediments can be considered a 'greenstone' belt that unconformably overlies granite/gneiss basement.</p> <ul style="list-style-type: none"> • The sequence has been folded and faulted through at least two major phases of deformation causing recrystallization, increase in average grain size and potential enrichment of the itabirite units. • The sequence has then been subject to intense tropical weathering causing oxidation of magnetite to hematite, and variable hydration to goethite and limonite within the upper 30-60m thick weathering profile. • Some minor faults are recognised in the Gofolo Main prospect but are not considered to have a major influence on the currently established resource; they will be incorporated into resource modelling when further infill drilling has become available.
Drillhole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a 	<ul style="list-style-type: none"> • Reported in body of announcement

	<p>tabulation of the following information for all Material drillholes:</p> <ul style="list-style-type: none"> – easting and northing of the drillhole collar – elevation or RL (Reduced Level - elevation above sea level in metres) of the drillhole collar – dip and azimuth of the hole – down hole length and interception depth – hole length <ul style="list-style-type: none"> • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
<p>Data aggregation methods</p>	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Length weighted arithmetic averages of iron grade were calculated for all core samples occurring within the interpreted iron mineralised envelopes. • No metal equivalent grades have been reported.
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’). 	<ul style="list-style-type: none"> • DSO mineralised envelope is interpreted to have a strike length of 500m, width of 100m and a thickness of 15m based on the drilling and surface data (mapping and rock chip sampling) and using the aeromagnetic image. • Friable iron mineralisation is interpreted to have a strike length of 500m, width of 100m and an

		aggregated thickness of 30m based on the drilling and surface data (mapping and rock chip sampling) and using the aeromagnetic image.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • All relevant plan maps have been included in the body of the announcement.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Where samples are reported, all material have been reported.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • All relevant regional and prospect scale geological observations and geophysical survey results are included in relevant announcements accordingly.
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Submit selected samples to a recognised laboratory for verification of results. • Ongoing mapping and rock chip sampling along additional target footprints will continue. • Exploration drilling will be planned along defined exploration targets post completion of access tracks and assessment of geology exposed in road cuttings resulting from this work.