

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
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("the Company" or "Tawana")

Term Sheet Executed for Bald Hill Tantalum Offtake

Tawana Resources NL (TAW:ASX) ("**Tawana**") and Alliance Mineral Assets Limited (SGX:AMA) ("**AMAL**") are pleased to announce that they have executed a non-binding in principle term sheet for the offtake of tantalum concentrate with a leading tantalum industry specialist, for production from the Bald Hill Lithium and Tantalum Mine ("**Bald Hill**") in the Eastern Goldfields of Western Australia. The Bald Hill project is a joint project between Tawana and AMAL.

Highlights

- Long term in principle term sheet ("**Term Sheet**") executed with a leading international tantalum industry specialist, for the offtake of tantalum concentrate.
- The Buyer has agreed to purchase a minimum of 600,000 pounds of tantalum concentrate in aggregate from April 2018 to 31 December 2020 ("**Period**") or all of the standard grade tantalum concentrate produced at Bald Hill within the Period if the delivery is less than 600,000 pounds.
- The Buyer may purchase any other tantalum materials from Bald Hill, including low-grade concentrate and off spec material etc.

Tantalum production is expected to commence from Bald Hill in the first half of 2018.

AMAL Chief Executive Officer Tjandra Pramoko stated: *"This is another significant milestone for the Bald Hill JV in its quest to become a lithium and tantalum producer in the first half of 2018. With the Bald Hill Mine due to commence tantalum production in the first half of 2018, we are pleased to have reached a tantalum supply agreement with a true market leader in the field. At the same time, we are also continuing discussions with other third parties for sale of excess tantalum concentrate."*

Key Terms of the Term Sheet

Tawana and AMAL will sell a minimum of 600,000 pounds of tantalum concentrate that comes from Bald Hill which is located 50km south of Kambalda in Western Australia. The key in principle terms are:

- The buyer has agreed to purchase a minimum of 600,000 pounds of tantalum concentrate in aggregate within the Period or all of the standard grade tantalum concentrate (>25% Ta₂O₅) produced at Bald Hill within the Period if the delivery is less than 600,000 pounds.
- At the option of the buyer and subject to availability, the buyer may purchase additional/other materials (e.g. low grade concentrates, off spec materials etc) beyond the 600,000 pounds of tantalum concentrate.
- There are no penalties to Tawana and AMAL for late deliveries.
- Parties shall negotiate the binding definitive offtake agreement within two months from the date of the Term Sheet.

About the Bald Hill Project

The Bald Hill Project comprises four mining leases, one mining lease application, 12 exploration licences, eight prospecting licences and one general purpose lease totalling 774km². The project is owned 50:50 by Tawana and AMAL.

The first lithium concentrate production is targeted for the first quarter of 2018 and first delivery anticipated in April 2018. The Project is fully funded to first shipment.

Each of Tawana and AMAL executed an offtake agreement in April 2017 (and subsequent variations thereto) for the supply of lithium concentrate from Bald Hill over a five-year term with pricing for 2018 and 2019 of US\$880/t (FOB Esperance) for 6% Li₂O. The prepayments from the aforesaid offtake agreement are being used towards the capital costs of the Project.

The Project is located 50km southeast of Kambalda in the Eastern Goldfields of Western Australia, and approximately 75km southeast of the Mt Marion Lithium project.

A current Indicated and Inferred lithium Mineral Resource of 18.9 million tonnes at 1.18% Li₂O, and 149ppm Ta₂O₅ at a 0.5% Li₂O cut-off for the Project was calculated by CSA Global Pty Ltd.¹

The Project remains significantly underexplored and significant drilling is planned for 2018.

1. All material assumptions and technical parameters underpinning the Mineral Resource estimates in the ASX announcement dated 11 October 2017 and the SGXNET announcement dated 12 October 2017 continue to apply and have not materially changed since it was last reported. The Indicated Resource is 8.0Mt @ 1.18% and the Inferred Resource is 10.9Mt @1.18%.

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 as representation or warranty, express or implied, of Tawana Resources NL or Alliance Mineral Assets Limited. 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 and Alliance Mineral Assets Limited. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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25 January 2018

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