

(Incorporated in Australia)  
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ISIN: AU000000TAW7  
Share code on the Australian Stock Exchange Limited: TAW  
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("Tawana" or "the Company")

## Quarterly Activities Report 1 July - 30 September 2012

Tawana Resources NL (ASX: TAW) is pleased to present the report on activities for the period July to September 2012.

### HIGHLIGHTS

#### Mofe Creek Iron Ore Project

- Aeromagnetics survey results received and confirm 48km strike length of iron formation
- Hand-auger drilling defines 4km long by 100-360m wide +45% friable itabirite target open to the South
- Option period extension signed to transfer strike extensions to Tawana
- 25km from coast, 95km along sealed road to port of Monrovia and adjacent to decommissioned rail alignment 65km from deep sea port of Monrovia
- 10km along strike from historic Bomi Hills mine; minimum 50Mt high-grade DSO magnetite lump produced

#### Sinoe Gold Project

- Option period extension signed to transfer license to Tawana
- Significant trenching results returned; 12m at 2.3g/t incl. 4m at 6.25g/t Au
- High priority high tenor +50ppb up to 1g/t Au soil anomalies defined

#### Nimba/Lofa Gold Exploration

- Lofa soils results received; no significant anomalies defined
- Relinquishment documents submitted for Nimba and Lofa licenses
- **Corporate**
- The Company signed an extension to the JV agreement entered into with Konblo Bumi Inc to secure strike extensions (pending due diligence) to the Company's existing 100% owned Mofe Creek Iron Ore Project.
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- The Company signed an extension to the JV agreement entered into with Global Mineral Investments LLC ('GMI') to extend the Option period whilst renewal and transfer of the license is effectuated. The Company funded exploration during the first year and will exercise its right to purchase the licence outright.
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- The Company is awaiting a license transfer from a reconnaissance permit to an exploration permit for the Mofe Creek iron ore project area. The Company and its joint venture partner are awaiting a license renewal notice for the Sinoe license from the Ministry of Lands Mines and Energy.

- **Liberia**

- Results of the Mofe Creek aeromagnetism survey were announced in August 2012. Field mapping, rock-chip sampling and hand auger drilling continued through part of the quarter with field work stopping through the peak of the wet season experienced during September.
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- Infill soil sampling and trenching results were received during the quarter on the Sinoe project area. High priority +50ppb up to 1g/t Au soil anomalies were defined within previous broad +30ppb anomalous zones and best trenching results were 12m at 2.3 g/t including 4m at 6.25g/t Au. The Company signed an extension to the Option period with Global Mineral Investments LLC ('GMI') whilst transfer of the license is effectuated. The Company funded exploration during the first year and will exercise its right to purchase the licence outright.
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- Results of reconnaissance 400 x 50m spaced soil sampling over high priority stream sediment BLEG anomalies identified on the Lofa project were received during the quarter with no significant anomalies identified. The Company submitted relinquishment reports for the Nimba and Lofa licenses whilst it concentrates work on the Mofe Creek iron and Sinoe Gold projects.
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*[Map showing granted licenses (1880km<sup>2</sup>), and JV licenses (1024km<sup>2</sup>) has been removed for SENS purposes]*

### **Mofe Creek Iron Project**

The Company announced results of the aeromagnetism survey on 6<sup>th</sup> August 2012. 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 aeromagnetism 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.

*[The following image has been removed for SENS purposes - Recently acquired aeromagnetism data; analytical signal above showing structure within iron formation and vertical integral of analytical signal below showing key target areas in hot colors]*

Infill mapping and rock chip sampling continued through the quarter. The Company successfully trialed hand auger drilling as an alternative to trenching and pitting during the wet season. This 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.

*[The following images have been removed for SENS purposes-Left: Hand auger drill core and chips in to friable high-grade itabirite trending towards friable hematite/magnetite. Right: Deeper hand auger drill core and chips into friable itabirite]*

The Mofe Creek Project is located within one of Liberia's historic premier iron ore mining districts. The project is 10 km along strike from the abandoned Bomi Hills iron ore mine. Historic production at Bomi Hills is poorly documented; however estimated historic production by the Government of Liberia is 50 Mt of high-grade DSO lump magnetite in addition to high-grade beneficiated sinter feed concentrate.

*[Historic 'Western Cluster' iron ore province and associated deposits over regional ansig image has been removed for SESN 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% SiO<sub>2</sub>, 1.5% Al<sub>2</sub>O<sub>3</sub> 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% SiO<sub>2</sub> 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.

### Subsequent Events

Mapping, rock chip sampling and review of the aeromagnetics survey defined five key target areas; Koehnko, Zaway, Gofolo, Gofolo West and Gofolo North-West.

First pass interpreted geology consists of a strongly folded and faulted itabirite iron formation predominantly along the northern boundary with a possible second iron unit along the southern boundary. The itabirite sits within a broader granite-gneiss basement with interspersed smaller iron formations and mafic intrusives. The itabirite ranges from steeply to shallowly dipping and the license area is characterized by a strong north-westerly fabric associated with the Todi Shear zone. The most intense shearing occurs between the Koehnko and Zaway targets in the east and appears to play an important role during the itabirite upgrade process.

*[Interpreted geology over license area image has been removed for SENS purposes]*

A total of 119 itabirite rock chip samples have been assayed to date across the prospective iron formation. Average iron formation grades from the 119 samples are detailed in the table below.

<b>N=119</b>	<b>FE%</b>	<b>SiO2</b>	<b>Al2O3%</b>	<b>P%</b>	<b>S%</b>	<b>Mn%</b>	<b>LOI<sub>1000</sub>%</b>
<b>Avg</b>	43.00	34.95	1.09	0.08	0.02	0.06	2.07
<b>Max</b>	63.69	78.29	11.41	0.94	0.09	2.02	11.10
<b>Min</b>	11.06	0.78	0.03	0.01	0.00	0.01	0.07
<b>Mode</b>	47.69	38.24	0.28	0.01	0.01	0.02	1.58

Average grade of all rock chip sampling to date

Due to the apparent thicker package of itabirite, clear fold structures, proximity to the Todi Shear and strongest magnetic response the Koehnko target was considered the highest priority.

Hand auger holes were drilled on a nominal 500 x 100m grid to an average depth of refusal of 3.8m but also reached depths of up to 5.7m dependent on water content. One meter of end of hole material was then logged and bagged for assay. A total of 82 hand auger holes have been drilled to date of which 34 holes

terminated in iron formation. To date assays from 14 holes have been received; of which 9 occur within the Koehnko target.

n=9	EOH (m)	Fe%	SiO2%	Al2O3%	P%	S%	LOI1000
<b>Avg</b>	3.8	44.70	23.03	7.40	0.03	0.04	4.73
<b>Max</b>	5.3	52.97	33.84	12.43	0.05	0.12	9.94
<b>Min</b>	1.5	36.07	4.75	2.96	0.01	0.02	2.37

**Average grades of Koehnko target hand auger drilling to date**

All samples were assayed by SGS Liberia and were sourced from in-situ outcropping material. Samples were dried and crushed to a nominal 2 mm using a jaw crusher then the whole sample pulverised in a LM2 to a nominal 85% passing 75 µm. A 200g sample was then scooped, with iron ore analysis of majors and minors by borate fusion-XRF.

From the hand auger intersections, rock chip sampling, mapping and aeromagnetics, a 4km long by 100-360m wide friable itabirite interpreted footprint has been defined over the Koehnko target. The target remains open to the south-east and east where rock chip sampling and aeromagnetics suggest a continuation along the southern magnetics limb, and is open at depth.

*[The following images have been removed for SENS purposes -*

*Koehnko target auger and rock chip sampling results by Fe% to date. Background image analytical signal aeromagnetics. Assays pending for eastern hand auger holes and auger drilling ongoing*

*Left: Auger hole MCADH54; 52.68% Fe, 4.75% SiO2, 12.43% Al2O3 and 7.47% LOI. Right: Auger hole MCADH74; 43% Fe, 31.19% SiO2, 3.77% Al2O3 and 2.67% LOI*

*Left: outcropping DSO magnetite over the Koehnko target. Right: friable itabirite from the flanks of Koehnko hill]*

Results to date indicate that although DSO magnetite has been mapped in outcrop, occurrences are sporadic with larger, continuous areas of friable high-grade itabirite mapped and intersected in auger holes. Key target rationale is now focused towards high-grade friable itabirite averaging +45% Fe with low deleterious elements, coarse grained and predominantly magnetite. These physical properties and analogies drawn with historic production at Bomi Hills 25km along strike suggest a simple beneficiation process to a high-grade, low deleterious sinter feed.

Depth potential of the friable itabirite target defined at Koehnko remains unknown until drill tested; however a minimum depth of 3.8m has been confirmed in hand auger drilling and analogies drawn with Bomi Hills suggests potential enrichment weathering depths of up to 25-30m. Greater depths and even blind friable itabirite targets may be encountered due to structural preparation by the cross-cutting Todi Shear zone.

*[Images has been removed for SENS purposes - Koehnko project exploration target areas and conceptual cross section location]*

The potential for blind DSO magnetite mineralization along the footwall contact at depth or other favorable settings at Koehnko and other untested targets remains a possibility as is seen at Bomi Hills.

*[Image of Conceptual stylized cross section A-A' and target types has been removed for SENS purposes]*

**Sinoe Gold Project**

Tawana previously secured binding exclusivity and exclusive rights to purchase outright the Sinoe license pending results of the first year field exploration programme. The Company funded exploration during the

first year and intends to exercise its right to purchase the licence outright and an extension to the Option period has been signed whilst transfer of the license is effectuated. The mineral exploration license covers 400km<sup>2</sup> of Birimian aged rocks along arguably the most prospective gold mineralised structure being explored in Liberia today; the Dugbe Shear.

The project area is 25km along strike from Hummingbird's (AIM: HUM) 3.8Moz Dugbe discovery and 40km along strike from Equator Resources (ASX: EQU) Bukon Jedeh Project. Both projects are hosted along secondary and tertiary structures adjacent to the main Dugbe Shear. Similar structural settings exist over the Sinoe Project area.

Approximately 2700 infill soil samples were collected on a 400x50m and 200x50m grid during the quarter within the higher priority soil anomalous areas defined during the first phase 800x100m sampling programme. To date a total of 5420 soil samples have been collected over the Sinoe license area. 1600m of trenching was completed during the quarter.

The geology of the Sinoe area is characterised by a package of gently dipping biotite and garnet-biotite schists, intruded by cm to >10m scale pegmatite dykes and sills, mafics and late granitic intrusives. The pegmatite sills appear to be intimately associated with areas of enhanced gold anomalism and are composed of coarsely crystalline quartz, feldspar, mica, accessory minerals and visible sulphide.

### Subsequent Events

Infill soil sampling has defined five high priority +50ppb soil anomalies with individual soils of up to 1g/t Au and consecutive lines of results over 100ppb. Highest priority anomalies range from 1km up to 1.8km in length and between 200m to 500m widths. All anomalies occur within large footprint, lower tenor +30ppb envelopes or 'Gold trends' defined over the 800x100m grid announced in March 2012.

*[Image of Sinoe Project results overview; gridded infill soil sampling results (inverse distance squared; 480m search radius) showing strong north-easterly trend and trenching results to date; 25km distance to 1.8Moz Dugbe and 2.05Moz Tuzon (HUM:AIM) has been removed for SENS purposes]*

*[Image of Gridded soil sampling geochemistry (inverse distance squared, 100m cell size and 480m search radius) with sample locations and high priority residual soil anomalies defined (+50ppb in red) and medium priority in green has been removed for SENS purposes]*

Trench results were received for initial trenching over the southern +30ppb gold trend defined during phase one soil sampling. Trenching was designed to test for broad mineralised zones coincident with a large +30ppb anomaly defined by 800x100m soil sampling. Mineralised trench intervals returned were:

- 12m at 2.3g/t including 4m at 6.25g/t Au in Trench 1
- 22.1m at 0.24g/t including 2.1m at 4.9g/t Au in Trench 1
- 24m at 0.4g/t including 8m at 0.87g/t Au in Trench 2B
- 16m at 0.24g/t Au in Trench 2B

Trench ID	UTM_E	UTM_N	From (m)	To (m)	Interval (m)	Sample ID	Au ppm	Intersection
PNTR001	524661	562671.3	257.7	261.7	4	STS1081	0.51	12m @ 2.3g/t incl. 4m @ 6.25g/t Au (0.1g/t Au cut-off)
PNTR001	524661	562667.3	261.7	265.7	4	STS1082	6.25	
PNTR001	524661	562663.3	265.7	269.7	4	STS1083	0.15	
PNTR001	524661	562257.25	673.2	674.3	1.1	STS1234	0.34	
PNTR001	524661	562255.45	674.3	676.8	2.5	STS1235	0.04	
PNTR001	524661	562253.65	676.8	677.9	1.1	STS1236	0.51	
PNTR001	524661	562252.6	677.9	678.9	1	STS1237	0.51	
PNTR001	524661	562251.55	678.9	680	1.1	STS1238	0.14	
PNTR001	524661	562249	680	684	4	STS1093	0.14	22.1m @ 0.24g/t Au incl. 2.1m @ 0.49g/t Au
PNTR001	524661	562245	684	688	4	STS1094	0.21	

PNTR001	524661	562241	688	692	4	STS1095	0.16	(0.1g/t cut-off)
PNTR001	524661	562237.35	692	695.3	3.3	STS1096	0.25	
PNTR002B	528860	565838	0	4	4	STS1322	0.785	24m @ 0.4g/t incl. 8m @ 0.87g/t Au (0.1 g/t cut-off)
PNTR002B	528860	565834	4	8	4	STS1323	0.95	
PNTR002B	528860	565830	8	12	4	STS1324	0.13	
PNTR002B	528860	565826	12	16	4	STS1325	0.35	
PNTR002B	528860	565822	16	20	4	STS1326	0.1	
PNTR002B	528860	565818	20	24	4	STS1327	0.13	
PNTR002B	528860	565658	180	184	4	STS1369	0.26	16m @ 0.24g/t Au (0.1g/t cut-off)
PNTR002B	528860	565654	184	188	4	STS1370	0.345	
PNTR002B	528860	565650	188	192	4	STS1371	0.131	
PNTR002B	528860	565646	192	196	4	STS1372	0.22	

Mineralised intersections in trenching

*[The following images have been removed for SENS purposes -*

*Trench locations and mineralised intervals relative to soil sampling and residual soil anomalies*

*Trench 1 during excavation*

*Left: Sample ID STS1082 (4m @ 6.25g/t) -pegmatitic dykes and quartz-goethite veining (field of view approx. 2m). Right: Sample ID STS1323 (4m @ 0.95g/t) -biotite-garnet schists with little to no quartz-goethite veining]*

Regional strike is east west dipping gently at around 25 to 30 degrees to the north and swings to the north-east above the Dugbe Shear. The strong north-easterly striking gold anomalous zones are interpreted to be associated with north-east splays off the major Dugbe shear. A similar structural trend is noted at the Dugbe (1.8Moz) and Tuzon (2.05Moz) projects 25km to the east. The splays appear bound to the north by a sub parallel structure to the Dugbe shear, and both structures appear to wrap around a large, 35km by 14km circular feature underlying the known resources and Sinoe project areas.

The circular feature has a coincident magnetics low and radiometrics high geophysical anomaly which in conjunction with the widespread presence of pegmatites is interpreted to represent an underlying intrusive body of likely granitic affinity. The geological setting and field observations is interpreted to suggest a possible intrusion related gold (IRG) genetic model which alludes to tonnage and in some instances grade potential.

*[Structural-genetic model showing bounding Dugbe Shear and Northern structure, cross-cutting N-E splays, interpreted underlying intrusive and advanced projects; soil geochemistry on regional TMI aeromagnetics background image has been removed for SENS purposes]*

Soil samples were collected on a nominal 400x50m and 200x50m grid. Lines were cut and surveyed using hand held GPS. Approximately 1.5kg of B horizon soil was collected below the surface vegetation and humus layer; generally around the 30cm depth profile. Sample sites that occurred within close proximity to transported stream sediments were moved to the nearest available site to avoid sampling stream sediment and target in-situ weathered soil horizons. Ground conditions, regolith profile, soil composition and slope direction were recorded at each sample site and the location surveyed using hand held GPS. Alternating field duplicates and certified standards at various analytical levels were inserted every 25<sup>th</sup> sample for QA/QC purposes.

Trench samples were collected by channel sampling to geological intervals to a maximum interval length of 4m. Lithology, alteration, weathering, veining, structure and mineralisation were logged to geological intervals.

All samples were submitted to SGS Laboratory in Monrovia for sample preparation and gold analysis. All samples were crushed to a nominal 2mm by jaw crusher then pulverised to a nominal 85% passing 75µm and a 200g scoop sub-sample taken for analysis. Laboratory preparation equipment was flushed using barren material between each sample run. Soil sample gold analysis was by Aqua Regia digest and Solvent Extraction AAS finish (DL 0.002 ppm). Trench sample gold analysis was by Fire Assay of a 50g sample and AAS finish (DL 0.01ppm). Results received to date have passed internal QA/QC procedures and are within reporting error limits (+/-95% CL) of certified standards and duplicates inserted by the Company providing confidence in the reported results.

### **Nimba and Lofa Gold Project**

Results were received for the Lofa 400x50m reconnaissance soil sampling programme during the quarter. Lofa soils were designed to target a discrete 6x3km area of hills in the north-west of the license where peak BLEG anomalies reported at 8.6ppb; 8.5 times higher than background gold levels and clustering of BLEG anomalies was observed. No significant soil anomalies were defined at Lofa. The Company has submitted relinquishment documents for the Nimba and Lofa exploration licenses.

### **Work Plan going forward**

A 2500m reverse circulation and diamond coring drill programme is planned at Mofe Creek during the next quarter pending transfer of the companies 100% owned reconnaissance permit into a mineral exploration license. Hand auger drilling and mapping will continue through the next quarter at other key target areas in Mofe Creek.

Infill 200x50m soil sampling and hand auger drilling along strike from reported trench intersections and high priority soil anomalies is planned during the next quarter or early 2013 at Sinoe pending receipt of license renewal notices from the Ministry of Lands Mines and Energy, personnel availability with the Mofe Creek drilling programme and access.

### **About Liberia**

Liberia is a democratic country run by Her Excellency President Ellen Johnson Sirleaf; Africa's first elected female head of state in 2005 and recently re-elected in November 2011 for her second term. The country is hugely prospective and hosts several world class iron ore deposits but yet is completely underexplored for gold and non-ferrous metals. Liberia has a modern and transparent mining code and the government is supportive of foreign investment especially in the exploration and mining industry to help unlock the value of its potential mineral wealth. Tawana will be one of the first ASX listed junior companies into Liberia following in the footsteps of mining majors BHP Billiton, Arcelor-Mittal and Severstal.

Liberia is located in West Africa dominantly within the Archean aged Kenema Man Domain and lesser Birimian sediments to the east. There are a large number of world class mineral deposits located in the Archean and Birimian rock types throughout West Africa including Obuasi (40Moz+) and Tasiast (18Moz+). West Africa is one of the fastest growing mineral provinces in the world and Liberia currently hosts several world class iron ore deposits and is underexplored for gold.

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*The information in this report in so far that it relates to Liberian Project 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.*

31 October 2012

Sponsor

PricewaterhouseCoopers Corporate Finance (Pty) Ltd