Tawana Resources NL
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Share code on the JSE Limited: TAW
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Share code on the Australian Stock Exchange Limited: TAW
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("Tawana" or "the Company")

Drilling Underway; Significant Friable Iron Formation and Potential DSO Intersected

HIGHLIGHTS

- Approximately 1,600m for 15 holes of the 2,500m RC drill programme completed
- All holes have intersected friable iron formation from surface to an average depth of 36.5m and up to 51m down hole; better than expected
- Potential DSO intersected in majority of holes from multiple 1-3m lodes and up to 13m intersections approximating true widths; assays pending
- Striking similarities between lithologies intersected at Koehnko and typical Bomi Hills mine cross-section; further enhancing DSO prospectivity
- Drill rig currently being mobilised to Gofolo Main target
- Initial assay results expected within one month
- Rapid resource definition program planned across all targets

Tawana Resources NL (ASX: TAW) is pleased to announce that it has commenced RC drilling in its 100% owned Mofe Creek project after it was granted the mineral exploration license by the Ministry of Lands Mines and Energy late last year.

Approximately 1,600m of RC drilling of a planned 2,500m programme has been completed on the Koehnko target. Drilling has intersected significant widths of friable iron formation from surface to an average down-hole depth of 36.5m and maximum of 51m. This represents a vertical depth of 30-40m from surface; exceeding previous estimates of 25-30m. In addition, potential DSO has been intersected down hole in multiple 1-3m intervals and up to 13m intersections which approximate true widths. Assays are pending and the drill rig is currently being mobilised to the Gofolo Main target.

'Initial observations are very encouraging; we have exceeded estimates of friable iron formation depth extent and we have intersected potential blind DSO; assays pending' said Len Kolff. 'Encouragingly, the similarities observed between Koehnko geology and the historic 50Mt DSO Bomi Hills mine, 25km away, are very strong; further enhancing the potential to discover significant DSO at depth'.

Drilling Underway; Encouraging Initial Observations
Drilling has been completed for a total of 1,600m in 15 holes at the Koehnko target where previous work has defined a greater than 5km strike length of friable iron formation at average 42% Fe at widths of 100m to 400m and containing low contaminants. .

An additional 6 holes for approximately 900m of RC drilling remains over the Gofolo Main target where outcropping coarse-grained +45% Fe iron formation has been mapped and sampled over a 3km strike length.

Assays are pending, however, initial observations from geological logging of RC chips, magnetic susceptibility readings and RC rate of penetration indicate a friable iron formation blanket of 30m to 40m vertical thickness from surface which is significantly more encouraging than previous conservative estimates of 25m to 30m*.

In addition to the friable iron formation, significant widths of potential DSO magnetite has been intersected in the majority of holes over multiple 1-3m lodes and up to 13m intervals down hole*. Surface mapping and -50 degree azimuth drill holes, perpendicular to formation dip, suggest that down hole intersections approximate true widths.

[Image of Koehnko target auger sampling results by Fe% to date and iron formation footprint in light blue. Background image analytical signal aeromagnetics; hotter colors represent more magnetic lithologies has been removed for SENS purposes.]

[Image of Key target areas and rock chip Fe% assays over project area. Preliminary drill target areas circled red has been removed for SENS purposes.]

[Images of RC rig drilling on site, Access and topography on Koehnko target, Highly magnetic friable iron formation and DSO type material in surface road cuttings have been removed for SENS purposes]

Bomi Hills Analogue and Significance of Initial Drilling Observations
Initial geological observations from drilling at Koehnko highlight the similarities in lithology and mineralisation setting as reported at the Bomi Hills mine.

Koehnko is 25km 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% SiO_2, 1.5% Al_2O_3 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% SiO_2 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.

[Image of Typical Bomi Hills cross-section after Gruss (1973) looking East has been removed for SENS purposes.]

Drilling at Koehnko has intersected a similar package of friable iron formation transitioning into hard iron formation from surface, through mafic schist and into footwall gneiss basement. Potential DSO has been intersected within and directly below the mafic schists

over variable widths and to a current maximum of 13m in the widely spaced drill programme; assays pending.

The friable iron formation intersected; although not DSO grade is potentially within the 40-45% Fe range as per the average of the 50 hole hand auger programme. Importantly it is soft allowing for lower cost beneficiation than hard material at potentially lower capital expenditure*.

The presence of potential DSO grade magnetite over multiple 1-3m lodes and up to 13m intersections to date; all occurring within or at the lower contact of the mafic schists is encouraging as identical settings are recorded at the Bomi Hills mine providing further encouragement for the prospectivity of a significant DSO magnetite body.

Highly Prospective District Geology

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

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 mine (>50Mt DSO @ 65% Fe plus SF), 80km along strike from the historic Bong Mine (>275Mt @ 38% Fe), 45km from the Mano River mine (100Mt @ 52% Fe) and 20km from the Bea Mountain resource (>100Mt @ 45% Fe).

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 transhipment via barge to deeper water for onward shipment. A 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 is approximately 25km from the coast for possible stand-alone haul road construction, trucking and transhipment via barge to deeper water for on shipment.

[Image of License area relative to historic Bomi mine, coast, rail corridor, roads and port of Monrovia removed for SENS purposes.]

Ongoing Work Plan
Pending receipt of assays the Company will plan an aggressive delineation and infill resource drill programme at the Koehnko and Gofolo Main targets. Sample splits from the current reconnaissance drill programme will be composited and shipped to Australia for preliminary DTR test work. Exploration reconnaissance drill programmes will be planned at the other remaining targets; Zaway, Gofolo West and Gofolo North West.

For further information please contact:

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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).

*Assays and metallurgical test work are pending and any reference to grade or material type is purely speculative at this stage.

[+]Footnote: the railway alignment falls under the Western Cluster project currently joint ventured with Sesa Goa; India's largest producer and exporter of iron ore in the private sector.

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.