

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
Share code on the JSE Limited: TAW
ISIN: AU000000TAW7
Share code on the Australian Stock Exchange Limited: TAW
ISIN: AU000000TAW7
("Tawana" or "the Company")

Quarterly Activities Report

For the period ending 31 December 2013

Please note: all graphics as well as appendix 2, have been removed for sens purposes. please refer to Tawana website for the complete announcement.

Highlights

Mofe Creek Iron Ore Project

- Gofolo Main strike continuity extended by an additional 125% from 0.8Km to 1.8Km, whilst mineralisation width has increased by an additional 50m in the central portion of the prospect
- Significant drilling intersections reported at Gofolo Main including 62m @ 38.8% Fe from surface, including 18m @ 49.5% Fe from 16m
- Extensive high-grade (+50% Fe up to 60% Fe) "DSO - potential" zone defined at Gofolo Main over >1km strike including 12-26m @ 57.5% Fe
- New discovery at Gofolo North-East (NE); significant intersections reported confirming and enhancing regional exploration potential
- Only 8km of a potential total 65km interpreted prospective strike drilled to date
- Follow-up metallurgical testwork on RC samples have achieved a 63% to 68% Fe - premium quality product at 58% to 68% mass recovery with exceptionally low SiO₂ and Al₂O₃ levels (<3.0% combined)
- Exceptional product grade from low grade (36% Fe) feed achieved at 1.0mm crush; significant resource opportunity
- Maiden resource statement targeted for early Q2 2014 and Scoping Study release mid-2014

Scoping Study

- Tenova Australia awarded principal role of managing and coordinating the plant design and logistics components of the Study

- Coffey International (“Coffey”) of Perth to lead the development of the maiden resource program, mine planning and mining methodologies studies - as part of deliverables for the Study
- Earth Systems of Perth and Africa in conjunction with EarthCons of Liberia to lead the environmental, social and community studies

Corporate

- The Company successfully completed a capital raise for AU\$2.92m for resource drilling and the development of the Mofe Creek Scoping Study

Corporate, Strategic and Financials

The Company successfully completed a capital raise for AU\$2.92m in October. Funds raised are currently being used primarily for the Maiden Resource drilling program at the Company’s Mofe Creek Iron Ore project in Liberia, on-going metallurgical test work programs, working capital and the initiation of a Scoping Study for the Project.

The Placement was strongly supported by both existing and new investors and Institutions, which reflected the quality of the Company’s Mofe Creek Iron Ore Project.

The Company was present at the Mines and Money Conference in London between 02 and 05 December 2013, to promote the Tawana Business Plan. The Company presented to a significant number of very interested London-based funds and institutional investors.

The Company held a General Meeting on 12 December 2013 where all resolutions were passed.

A Strategic Planning Session and Risk Workshop for the Mofe Creek Project was initially undertaken in early January, and a subsequent follow-up session was held on Tuesday 28 January.

The Company recently recruited the full-time services of an Executive Assistant for the Executive team and at the time of preparing this report, an “in-Country” Manager had just been appointed.

The Executive Chairman and Managing Director will both be present at the Mining Indaba conference in South Africa, during early February.

Mofe Creek Iron Ore Project

Drilling:

A multi-purpose reverse circulation (RC) and diamond coring drill rig was mobilised to site and commenced resource drilling at the Gofolo Main prospect within the Company’s 100% owned Mofe Creek Iron Ore Project during the quarter. Infill and extensional RC resource drilling for the Scoping Study was completed at Gofolo Main and Zaway during the quarter to define a JORC compliant resource in the Inferred and Indicated category.

A total of 4,829m for 65 RC resource drill holes were completed during this phase at Gofolo Main and Zaway completing the RC component of the resource evaluation programme on those prospects. Additionally, RC exploration drilling was completed at the Gofolo NE prospect for a total of 492m in 9 holes during the quarter.

Drill access onto the Zaway and Gofolo North-East prospects was completed during the quarter and exposed friable itabirite mineralisation along the bulldozed track and along strike from outcropping high-grade, coarse grained itabirite at Zaway.

Subsequent to the quarter, metallurgical and quality control HQ diamond core drilling was completed at Gofolo Main for a total of 781m in 11 holes. The drill rig has been converted back to RC and will complete the resource drilling programme at the Koehnko prospect to finalise the planned drill programme by the end of January 2014.

Prospect	Hole_ID	From	To	Interval (m)	Fe	SiO ₂	Al ₂ O ₃	P	S	TiO ₂	LOI 1000
Gofolo Main	GMRC026	0	8	8	37.01	32.22	7.46	0.034	0.013	0.39	5.83
Gofolo Main	GMRC028	0	6	6	28.07	29.89	16.63	0.024	0.137	0.51	11.25
Gofolo Main	GMRC028	12	28	16	28.59	36.74	11.75	0.037	0.076	0.43	8.17
Gofolo Main	GMRC029	0	24	24	26.87	26.88	20.09	0.026	0.117	0.66	12.47
Gofolo Main	GMRC030	0	18	18	36.09	29.28	10.66	0.023	0.054	0.36	7.05
Gofolo Main	GMRC031	0	34	34	40.20	33.54	3.33	0.039	0.033	0.12	4.97
Gofolo Main	GMRC032	0	62	62	38.79	31.91	5.87	0.075	0.041	0.22	6.27
Gofolo Main	incl. GMRC032	16	34	18	49.50	19.52	3.27	0.15	0.01	0.12	6.81
Gofolo Main	GMRC034	0	60	60	28.17	40.94	9.83	0.048	0.088	0.38	4.91
Gofolo Main	GMRC035	0	20	20	27.66	28.20	17.21	0.031	0.145	0.57	13.96
Gofolo Main	GMRC039	0	10	10	30.24	20.57	19.82	0.022	0.132	0.57	14.18
Gofolo Main	GMRC040	0	42	42	27.86	42.77	9.60	0.034	0.066	0.34	5.69

Table 1 | Significant intersections from RC resource drilling assay results over Gofolo Main prospect

Results received from the extension and infill drilling at the Gofolo Main prospect confirmed the presence of extended mineralisation at the prospect. Strike was extended by an additional 1km to the east, whilst the surface width of the mineralisation was increased by an additional 50m within the central-west portion of the prospect. Good geological continuity was observed between the original and newly drilled holes. All RC drilling intersections are listed in the appendices.

Initial review of Gofolo Main results show a 'DSO - potential' high-grade zone developing over a >1km strike along the southern flank of the Gofolo Main hill in holes GMRC013, GMRC031, GMRC003, GMRC032, GMRC006 moving from west to east. Surface to near-surface friable iron formation intersections vary from 49.5% Fe to 57.5% Fe over 8m to 20m drill depth intersections. Good continuity over current 200m line spacing, high Fe% grade, coarse grained mineralisation and potential low-stripping ratios suggest this could be the potential start-up mine for the Mofe Creek Project.

Prospect	Hole_ID	From	To	Interval (m)	Fe	SiO ₂	Al ₂ O ₃	P	S	TiO ₂	LOI 1000
Gofolo Main	GMRC003	0	20	20	52.5	9.21	4.74	0.098	0.08	0.18	9.66
Gofolo Main	GMRC006	12	26	14	57.5	6.56	2.2	0.100	0.04	0.05	9.14
Gofolo Main	GMRC013	2	20	18	48.76	15.69	4.42	0.070	0.08	0.15	9.59
Gofolo Main	GMRC031	4	12	8	49.74	19.29	2.73	0.051	0.034	0.08	7.61
Gofolo Main	GMRC032	16	34	18	49.50	19.52	3.27	0.148	0.010	0.12	6.81

Table 2 | High-grade intersections along >1km strike and 200m line spacing at Gofolo Main prospect

Gofolo North-East' Results

Subsequent to the quarter, assay results were received for a 9 hole 492m exploration programme leading to a new discovery at the Gofolo NE prospect along strike from Gofolo Main. Significant drill intersections were reported of similar coarse recrystallised friable itabirite at Gofolo NE with similar potential low stripping ratios as at Gofolo Main.

Prospect	Hole_ID	From	To	Interval (m)	Fe	SiO ₂	Al ₂ O ₃	P	S	TiO ₂	LOI 1000
Gofolo NE	GNERC001	16	28	12	34.15	35.99	7.02	0.127	0.070	0.23	7.00
Gofolo NE	GNERC006	18	32	14	34.02	37.02	7.78	0.063	0.051	0.43	4.60
Gofolo NE	GNERC009	14	26	12	32.75	44.14	4.78	0.027	0.015	0.14	3.83

Table 3 | Significant intersections from RC exploration drilling at Gofolo NE prospect

Confirmation of coarse-grained friable itabirite intersections and the new discovery of Gofolo NE enhances and confirms the regional exploration potential within the license and project areas. To date only an 8km strike length of a total 60km prospective strike within the Mofe Creek Project tenement has been drill tested, providing significant potential upside for ongoing exploration. All intersections are listed in the appendices.

All RC samples at Gofolo Main and Gofolo NE were submitted to SGS Laboratories in Liberia and assayed on 2m intervals. A field duplicate, certified standard and blank was inserted every 50th sample. All samples were dried and crushed to 75% passing 2mm, 1.5kg split by a riffle splitter and pulverised to 85% passing 75µm through a ring and puck pulveriser with a 200g split sent for assay of major and minor elements by X-Ray Florescent (XRF) fusion and Loss on Ignition (LOI) by Thermo Gravimetric Analysis (TGA). The batch passed internal and external Quality Assurance (QA) and Quality Control (QC) procedures.

Metallurgical Testwork

Previous high-grade friable itabirite samples collected from the first RC reconnaissance drilling program undertaken at the Gofolo Main prospect in January/February last year (with in-situ head grades ranging from 30% to 57% Fe), demonstrated that a +60% Fe product with low contaminant levels (i.e. silica, alumina phosphorous and sulphur) and a mass recovery of 27% to 57% could be achieved with minimal crushing (3.35mm), screening and simple gravity separation beneficiation. (Refer ASX release 25 June 2013)

Composite	Hole_ID	Depth_From	Depth_To	Interval	Fe	SiO2	Al2O3	P	S	TiO2	LOI 1000
Comp 2	GMRC001	22	36	14	41.30	34.41	1.91	0.089	0.01	0.033	3.32
	GMRC003	12	26	14	49.88	18.62	1.50	0.090	0.04	0.043	7.28
	GMRC006	8	30	22	54.90	11.50	1.84	0.089	0.04	0.045	8.23
Comp 5	KRC001	22	28	6	29.59	47.10	7.00	0.016	0.12	0.050	2.57
	KRC002	6	36	30	36.71	39.13	5.08	0.017	0.06	0.045	2.61
	KRC003	2	10	8	42.45	29.38	6.48	0.046	0.12	0.034	3.48
	KRC004	4	24	20	35.35	34.63	9.38	0.045	0.22	0.039	4.52
	KRC006	8	24	16	40.41	36.69	2.62	0.014	0.05	0.024	1.98
	KRC012	4	34	30	43.09	28.74	5.64	0.017	0.06	0.042	2.92
	KRC014	10	12	2	36.07	37.30	5.99	0.038	0.10	0.030	4.35
	KRC015	22	38	16	28.76	48.60	6.40	0.009	0.05	0.052	3.42

Subsequent to the quarter, metallurgical testwork was conducted by ALS Metallurgy - Iron Ore Technical Centre of Perth, on two RC drill composites from the first phase drill programme. Composite 2 and Composite 5 are representative samples from drilling completed at Gofolo Main and Koehnko within 'high-grade' friable itabirite that were part of the first phase metallurgical testwork programme reported in 2013. (Refer ASX release of 25th June 2013).

The testwork was designed to explore beneficiation options by 'assay, by size' fractioning and heavy liquid separation (HLS) at a 1.0mm crush size. First phase metallurgical testwork reported in June 2013 was completed at a 3.35mm crush to define the 'minimum' amount of work required to generate a +60% Fe product. Follow-up testwork was designed to assess what potential product grades could be achieved at a 1mm crush (i.e. no particulate grinding). In-situ R/C head grades for both composites are shown in Table 5.

Composite	Fe%	SiO2%	Al2O3%
Comp 2	50.4	19.49	1.87
Comp 5	36.5	38.16	6.07

Table 5 | Composite head grades for Comp 2 (Gofolo Main) and Comp 5 (Koehnko)

A representative portion of the crushed -1.0mm material was de-slimes at 0.045mm and the -1.0 +0.045mm fraction was submitted for HLS at various specific gravities to test for the amenability to beneficiate by gravity process.

The HLS results indicated excellent upgradability for both composites with Fe grades continuing to increase up to 63.2% and 67.7% Fe respectively, as the specific gravity increased to 3.6, whilst the levels of contaminants decreased to approximately <2.0% SiO₂ and <1.0% Al₂O₃.

Composite	SG (µm)	Mass Recovery %	Feed Mass Recovery %	Fe %	SiO2 %	Al2O3 %
Comp 2	+3.6	67.6	50.3	63.2	1.9	0.92
Comp 5	+3.6	57.5	40.7	67.7	2.0	0.64

Table 6 | Mass recovery and product grade of the -1.0+0.045mm using heavy liquid separation

The sizing results indicated that the coarser particles at the Gofolo Main prospect tend to have high Fe grades for Composite 2, whilst the mid-sized particles tend to contain even higher Fe grades for composite 5 at the Koehnko prospect. Full summary sizing and HLS results for both composites are included in the appendices.

HLS and sizing results confirmed that a high-grade +62% Fe to 68% Fe ‘premium’ product with low impurities can be produced at a +58% to 68% (de-slimes) mass recovery rate, from 1.0mm crushed material. Material was derived from +37% Fe to 50% Fe head grade, friable itabirite from the Gofolo Main and Koehnko deposits.

Total plant feed mass recoveries for Composites 2 and 5 were between 40% to 50% when retaining material deemed to be ultrafines, i.e. -45µm material. Final mass recoveries for the Mofe Creek Project will optimally occur within the range of 40% to 68% (of the processing plant feed) due to the inferred increase in material/particle coarseness, from diamond core or bulk samples, i.e. in-situ samples. Note the RC samples contain a higher percentage of ultrafines, as compared with in-situ material, due to the destructive percussion effect of the RC hammer during drilling. (Refer ASX release of 25th June 2013).

The results confirm the potential for the design and development of a low capital intensity process plant with simple gravity beneficiation equipment. Visual drill core observations at the Zaway prospect suggest similar material is present at this deposit and should upgrade/beneficiate in a manner similar to the Gofolo Main deposit samples.

Results also demonstrate that an exceptional product grade can be achieved from low-grade feed (36% Fe) at a 1.0mm crush. This is significant result as it confirms the favourable physical characteristics of the mineralisation; coarse grained and friable, allows for simple upgrade to a premium product. Coarseness of the mineralisation could also potentially lead to the development of a simple beneficiation process for the ‘hard’ below base of oxidation ‘fresh’ material - as its current coarseness leads to a ‘weaker’ therefore softer, rock mass. The planned metallurgical testwork programme will assess the upgradeability of the ‘fresh’ below base of oxidation mineralisation in the coming months.

Mineralisation from both composites is representative of the ‘central’ portion of a typical high-grade friable itabirite profile where the surface crust of weathering related material has been removed as it has the transitional hematitic to magnetic itabirite at the base. It typically represents the ‘higher-grade’ portion of the friable itabirite profile. A representative 1 kg split of material was used for each

composite. Testwork samples for this metallurgical programme were derived from RC drill chips that are not entirely representative of the in-situ physical rock properties. Testwork in support of the Scoping Study will be derived from full HQ diamond drill core to address this.

A comprehensive diamond drill core metallurgical test-work program with ALS - Iron Ore Technical Centre in Perth, Western Australia was designed during the quarter. The test work program is designed to optimise the processing parameters required to beneficiate the medium and high-grade friable itabirite mineralisation present at the Mofe Creek prospects to produce the optimal quality iron ore product at the most viable particle sizing and Fe grade, with the minimal amount of plant and equipment. The program is structured to confirm the design criteria necessary for the Mofe Creek Scoping Study, including a preliminary plant design for the early start-up options being scoped, and the longer-term, larger-scale processing facility.

Infrastructure and Logistics

Meetings were held with the Ministry of Lands, Mines and Energy, the Ministry of Transport and the National Port Authority during the quarter by the Executive Chairman and Managing Director. Proposals for road, rail and port access/developments were initiated. An extensive inspection of the Freeport of Monrovia was conducted and a fly-over of the entire Project site including potential mine(s) and transport corridors to the coast and/or the Port of Monrovia were conducted.

An informative meeting with (Konblo Bumi Inc - "KBI" - Tawana's Joint Venture partner for the surrounding tenement (shown in green in Figure 10 below) was held during the quarter. An initial discussion on the process of preparing and presenting a Mining Development Agreement ("MDA") to the Liberian regulatory authorities for the Mofe Creek Project was undertaken.

The construction of China Union's Bong mine iron ore handling facilities at the Freeport of Monrovia in addition to the expansion of Arcelor Mittal's (4Mtpa) Nimba/Buchanan mine are well underway. The Freeport of Monrovia is located within 80km of the Mofe Creek project along a sealed bitumen road.

Administration:

Key Contracts Awarded

The Company awarded the principal role of managing and coordinating the major design and logistics components of the Scoping Study to globally recognised mining and minerals design and development group, Tenova Australia.

Tenova Mining and Minerals ("Tenova") is part of the global Tenova Group, which has offices in Australia and Africa. Tenova is a worldwide supplier of advanced technologies, products and engineering service, with relevant experience in iron ore and the steel mining industry. Tenova has recently completed study and detailed

design and engineering work on Vedanta's Bomi Hills Project, located near-by to Tawana's, Mofe Creek Project.

The Company also awarded two key contracts for the maiden resource/mine planning components and environmental, social and community studies during the subsequent quarter. The outcomes of these studies will generate key inputs into the Scoping Study for Tawana's 100% owned Mofe Creek Iron Ore Project.

The first strategic appointment was to Coffey International Limited (Perth office) for the completion of the maiden resource and mine planning. The second appointment was to Earth Systems (Perth and Africa offices) in conjunction with EarthCons of Liberia for the completion of environmental, community and social studies in support of the Scoping Study.

Both Coffey and Earth Systems have demonstrated expertise in the country and commodity, with key management personnel located in Perth and Liberia.

Coffey International Limited is a specialist professional services consultancy with expertise in geosciences, international development, and project management. With more than 50 years of experience, Coffey is well known in their markets for deep technical skills and market-leading solutions to complex tasks.

Earth Systems, an Australian company established in 1993 has global operations including an established ESIA accredited office in Dakar, Senegal. The consultancy has extensive experience in the mining and resource development sector working with major players in the mining industry in West Africa, Australia and globally. Earth Systems specialises in environmental and social impact assessments to IFC and World Bank standards and has experience in resettlement and livelihood restoration, natural resource monitoring and management, geochemical characterisation, and surface and groundwater protection.

Earth Systems will partner with a local multidisciplinary consultancy Group - EarthCons, based in Monrovia. EarthCons has provided environmental and social inputs to a number of projects throughout Liberia including those regionally relevant to the Mofe Creek

Forward Work Plan

The Maiden Resource drilling program is forecast to be completed by the end of January 2014. Metallurgical and quality control twin diamond core HQ drilling have also been completed during the March quarter. Both the resource RC and metallurgical diamond drilling program has been designed to deliver a maiden JORC compliant resource by April 2014.

The follow-up metallurgical testwork programme scheduled for February, in support of the Scoping Study, will be performed on representative full HQ drill core samples. Approximately 2,500-3,000kg of full HQ drill core will be sent to ALS on completion of the diamond programme.

The pending metallurgical test-work programme will optimise the plant "feed" crush size to produce the most economic, high- grade Fe product with the highest

mass recovery. The metallurgical testwork and development programme for the Scoping Study is forecast to be completed by April-end, 2014.

Engineering and consulting groups will commence resource modelling, mine design plant engineering, infrastructure reviews and barging studies in the coming weeks, to deliver a Scoping Study by July 2014.

Environmental, social and community baseline studies will kick-off during the March quarter, with on-site surveys commencing on 05 February.

The Scoping Study will jointly and collectively study, design and financially model two Project development scenarios - 1. A low capital intensity start-up option at a nominal production rate of 1-2mtpa (of final product) and; 2. A larger, longer-term, major project with a potential production rate of 5-10 Mtpa (of final product). The specifics of these two operational strategies will be further defined in the coming months.

Further meetings with the National Port Authority of Monrovia, the Ministry of Transport and the Ministry of Lands, Mines and Energy will be held at the upcoming Indaba Conference and/or in early February, whilst the Tawana executive team is in Liberia.

The development of a Financial Model for the Scoping Study (and on-going Studies) will commence on or around the beginning of the June quarter, to assist with the economic modelling of the two operational strategies being considered.

The Executive Chairman will be presenting the Company's credentials at an upcoming GMP Securities Conference in South Africa in late January, and will further promote the Project alongside the Managing Director at the Indaba Mining Conference in Capetown, in early February. Both the Chairman and Managing Director will travel to Liberia during the second week of February, to assist with the initiation of the environmental studies, ongoing development of the geological programme and to work with the newly appointed "In-Country" Manager.

Further engagement with the newly established Road Transport Committee (Liberian Ministry of Transport) will be progressed, to assist with the application and forecast receipt of licenses for the road transport of 1-2 Mtpa of Mofe Creek final product, to the port of Monrovia.

Work will commence on the development of a Pre-Feasibility Study drilling program in the forthcoming months. The PFS drilling program could commence as early as May.

The barging and transshipment Study work has commenced and will be finalised over the coming quarter.

The close-out of "legacy" diamond assets is being progressed by the company, whilst the repatriation of funds held in South Africa is currently being coordinated.

As of 31 December 2013, Tawana had completed its 2013 Fiscal reporting year, and will consequently prepare and execute the relevant annual reports, audits, tax returns and R&D claims over the forthcoming quarter.

About the Mofe Creek Iron Ore Project

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), 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).

The project is characterised by exceptionally coarse grained, high-grade itabirite that has the potential to deliver a high-grade product (63%Fe - 68%Fe) at a coarse crush sizing, with high mass recoveries, and potentially low mine stripping ratios and free-dig material.

The Project is exceptionally well located being approximately 20km from the coast for potential haul-road trucking or conveyor of product to the coast and transshipment via barge to deeper water for on shipment or barging to the port of Monrovia. Other possible infrastructure solutions exist; road or rail to the deep water port of Monrovia via a 80km sealed road from the central licence area or a 65km decommissioned standard-gauge iron ore railway alignment² from the Bomi Hills mine to the port of Monrovia; 17km east from the easternmost magnetic anomaly.

The project hosts a 95Mt high-grade +45% Fe friable itabirite exploration target within a global exploration target of >500Mt of friable itabirite and intermixed itabirite/amphibolite. Initial metallurgical test-work completed in mid 2013 on representative samples from the maiden 2,500m reverse circulation drill programme confirmed the potential to beneficiate through crushing to only 3.35mm, a +60% Fe product with low contaminants and 44-57% mass recovery within the itabirite. Subsequent metallurgical testing has confirmed that crushing the same material to a 1.0mm size fraction generates a 63% Fe to 68% Fe 'Premium' product with a 58-68% mass recovery, at a 3.6 SG.

Proximity to the coast and positive initial metallurgical test-work results suggests the potential for an early start-up, low capital intensity project, with low operating costs.

About Tawana (ASX & JSE: TAW)

Tawana Resources NL ("Tawana" or "the Company") is an iron ore focused ASX and JSE-listed Company with its principal project in Liberia, West Africa. Tawana's 100% owned Mofe Creek Project ("the Project") is a new discovery in the heart of Liberia's historic iron ore district, located 20km from the coast and 80km from the country's capital city and major port, Monrovia.

Tawana is committed to becoming a mid-tier iron ore producer through the development of the Mofe Creek Project, which covers 285km² of highly prospective tenements in Grand Cape Mount County. The Project hosts high-grade friable itabirite mineralisation which can be easily upgraded to a superior quality iron ore product of +60% Fe, for which there is consistent global demand.

The Company is currently completing its maiden resource drilling program and recently commenced its Scoping Study on the Mofe Creek Project. The Scoping Study will consider both an early start-up, low capital cost project with a production rate of 1-2 million tonnes per annum (Mtpa), as well as a longer-term project capable of producing 5-10 Mtpa of iron ore product. Additionally, Tawana has a joint venture agreement with Konblo Bumi Inc for the adjoining tenement covering 624km², for which Tawana has 100% of the iron ore mineral rights.

About Liberia

Liberia is a democratic West African country with a modern and transparent mining code and a government proactively engaged with the mining industry to help unlock the value of its potential mineral wealth. Her Excellency President Ellen Johnson Sirleaf was Africa's first elected female head of state in 2005 and was re-elected in November 2011 for a second term. The country is hugely prospective for minerals exploration and production, hosting several world-class iron ore deposits. Liberia has historically been the largest exporter of iron ore in Africa and was the 5th largest iron ore producer globally during the 1960's to 1980's.

Lennard Kolff van Oosterwijk

Managing Director

Tawana Resources NL

Tel: +61 7 3510 2115

Mob: +61 424 942 589

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

Competent Persons Statement

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 2012 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.

Forward Looking Statement

Statements regarding plans with respect to the Company's mineral properties, including statements, assumptions and targets relating to the Preliminary Assessment are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected, nor in accordance with the Preliminary Assessment. There can also be no assurance that the Company will be able to confirm the presence of a mineral deposit, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties, either in accordance with the Preliminary Assessment or otherwise.

30 January 2014

Sponsor

PricewaterhouseCoopers Corporate Finance (Pty) Ltd

APPENDIX 1: All intersections from Gofolo Main RC resource drilling (non-inclusive previous reported drilling intersections), Gofolo NE RC exploration drilling and Zaway RC resource drilling to date.

Hole_ID	Depth_From	Depth_To	Interval	Fe	SiO2	Al2O3	P	S	TiO2	LOI 1000
GMRC009	0	18	18	30.80	25.51	17.82	0.043	0.11	0.62	11.39
GMRC010	0	16	16	25.96	30.96	18.29	0.039	0.12	0.60	12.05
GMRC011	0	24	24	27.29	29.03	17.92	0.029	0.11	0.69	11.85
GMRC012	0	18	18	28.64	28.00	17.96	0.045	0.08	0.63	10.26
GMRC013	0	46	46	40.42	29.86	5.36	0.047	0.05	0.17	6.46
inc. GMRC013	2	20	18	48.76	15.69	4.42	0.070	0.08	0.15	9.59
GMRC015	0	26	26	34.74	42.32	4.58	0.016	0.03	0.19	3.57
GMRC016	0	40	40	25.40	42.81	11.54	0.022	0.07	0.51	7.49
inc. GMRC016	0	28	28	26.93	42.33	10.68	0.017	0.07	0.43	7.66
GMRC017	0	34	34	26.50	37.61	13.69	0.032	0.07	0.46	9.32
inc. GMRC017	0	18	18	30.24	29.10	15.37	0.016	0.07	0.56	11.08
GMRC017	54	74	20	31.84	46.99	2.05	0.052	0.06	0.14	0.66
GMRC020	0	26	26	26.74	38.57	13.40	0.046	0.07	0.51	8.68
GMRC021	0	18	18	26.36	33.88	16.38	0.027	0.10	0.54	10.93
GMRC022	0	20	20	26.21	33.31	17.13	0.033	0.07	0.70	11.11
GMRC024	0	18	18	29.17	30.53	15.59	0.026	0.08	0.64	10.64
GMRC025	0	50	50	31.01	37.03	10.41	0.023	0.04	0.32	7.20

Prospect	Hole_ID	From	To	Interval (m)	Fe	SiO ₂	Al ₂ O ₃	P	S	TiO ₂	LOI 1000	Comments
Gofolo Main	GMRC026	0	8	8	37.01	32.22	7.46	0.034	0.013	0.39	5.83	
Gofolo Main	GMRC026	14	32	18	21.64	37.77	17.93	0.032	0.090	0.58	10.79	
Gofolo Main	GMRC027	36	60	24	34.85	29.01	8.10	0.030	0.061	0.30	8.26	
Gofolo Main	GMRC028	0	6	6	28.07	29.89	16.63	0.024	0.137	0.51	11.25	
Gofolo Main	GMRC028	12	28	16	28.59	36.74	11.75	0.037	0.076	0.43	8.17	
Gofolo Main	GMRC028	56	88	32	30.23	48.61	3.92	0.043	0.066	0.16	BD	
Gofolo Main	GMRC029	0	24	24	26.87	26.88	20.09	0.026	0.117	0.66	12.47	
Gofolo Main	GMRC029	46	60	14	31.98	46.23	2.28	0.038	0.042	0.09	1.03	EOH
Gofolo Main	GMRC030	0	18	18	36.09	29.28	10.66	0.023	0.054	0.36	7.05	
Gofolo Main	GMRC031	0	34	34	40.20	33.54	3.33	0.039	0.033	0.12	4.97	
Gofolo Main	GMRC031	62	74	12	23.38	47.46	10.93	0.055	0.075	0.37	BD	
Gofolo Main	GMRC031	86	104	18	30.70	46.78	3.97	0.040	0.066	0.11	BD	EOH
Gofolo Main	GMRC032	0	62	62	38.79	31.91	5.87	0.075	0.041	0.22	6.27	
Gofolo Main	inc. GMRC032	16	34	18	49.50	19.52	3.27	0.15	0.01	0.12	6.81	
Gofolo Main	GMRC032	76	96	20	24.68	46.09	10.31	0.039	0.169	0.37	BD	EOH
Gofolo Main	GMRC033	12	44	32	29.22	37.11	8.80	0.031	0.060	0.24	9.58	
Gofolo Main	GMRC033	80	94	14	29.57	46.10	3.09	0.050	0.079	0.11	1.71	EOH
Gofolo Main	GMRC034	0	60	60	28.17	40.94	9.83	0.048	0.088	0.38	4.91	
Gofolo Main	GMRC035	0	20	20	27.66	28.20	17.21	0.031	0.145	0.57	13.96	
Gofolo Main	GMRC036	0	4	4	37.83	23.74	10.58	0.064	0.078	0.37	11.31	
Gofolo Main	GMRC037	30	42	12	19.99	49.31	12.25	0.046	0.121	0.54	BD	
Gofolo Main	GMRC037	66	90	24	19.85	52.24	10.03	0.034	0.169	0.49	BD	EOH
Gofolo Main	GMRC039	0	10	10	30.24	20.57	19.82	0.022	0.132	0.57	14.18	
Gofolo Main	GMRC039	52	77	25	33.85	45.42	1.56	0.051	0.073	0.10	BD	EOH
Gofolo Main	GMRC040	0	42	42	27.86	42.77	9.60	0.034	0.066	0.34	5.69	
Gofolo Main	GMRC041	0	32	32	24.19	30.67	19.55	0.026	0.143	0.57	13.74	
Gofolo Main	GMRC041	42	50	8	24.13	46.18	10.53	0.036	0.168	0.40	BD	
Gofolo Main	GMRC041	60	76	16	29.10	49.20	3.26	0.044	0.028	0.19	BD	
Gofolo Main	GMRC041	86	90	4	40.44	37.70	1.21	0.077	0.003	0.21	BD	EOH
Gofolo NE	GNERC001	16	28	12	34.15	35.99	7.02	0.127	0.070	0.23	7.00	
Gofolo NE	GNERC002	52	56	4	35.87	45.90	1.43	0.033	0.059	0.06	BD	
Gofolo NE	GNERC003	32	42	10	29.97	44.73	6.06	0.017	0.027	0.18	4.97	
Gofolo NE	GNERC003	48	54	6	21.39	54.28	7.55	0.024	0.111	0.19	1.50	
Gofolo NE	GNERC003	66	74	8	31.74	47.56	3.59	0.042	0.060	0.19	BD	
Gofolo NE	GNERC004	22	38	16	23.75	48.11	9.11	0.038	0.150	0.29	4.69	
Gofolo NE	GNERC006	18	32	14	34.02	37.02	7.78	0.063	0.051	0.43	4.60	
Gofolo NE	GNERC007	42	48	6	34.26	40.71	3.56	0.138	0.091	0.28	1.22	
Gofolo NE	GNERC007	60	66	6	25.81	51.86	9.12	0.025	0.126	0.21		EOH
Gofolo NE	GNERC009	14	26	12	32.75	44.14	4.78	0.027	0.015	0.14	3.83	

Hole location data:

DataSet	Prospect	Hole_ID	Hole_type	UtmE_29N	UtmN_29N	Reg_RL	Plan_dip	Plan_Azim	Hole_depth(m)	Log_Company	Hole_Diameter	Hole_Start	Hole_Finish	Drill_Prog
Mofe Creek	Gofolo Main	GMRC009	RC	253038	761486	66	-50	24	70	Tawana	5.25	27/09/2013	27/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC010	RC	253052	761537	63	-50	24	72	Tawana	5.25	27/09/2013	28/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC011	RC	253075	761593	62	-50	24	60	Tawana	5.25	28/09/2013	28/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC012	RC	253104	761644	65	-50	24	60	Tawana	5.25	28/09/2013	29/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC013	RC	252632	761628	48	-50	24	60	Tawana	5.25	29/09/2013	29/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC014	RC	252646	761700	33	-50	24	42	Tawana	5.25	29/09/2013	29/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC015	RC	253422	761315	60	-50	24	48	Tawana	5.25	29/09/2013	30/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC016	RC	253801	761146	39	-50	24	54	Tawana	5.25	30/09/2013	30/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC017	RC	253790	761072	46	-50	24	78	Tawana	5.25	30/09/2013	30/09/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC018	RC	253787	761015	23	-50	24	60	Tawana	5.25	30/09/2013	1/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC019	RC	253814	761199	32	-50	24	48	Tawana	5.25	1/10/2013	1/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC020	RC	254097	761229	36	-50	340	54	Tawana	5.25	1/10/2013	1/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC021	RC	254111	761178	48	-50	340	60	Tawana	5.25	1/10/2013	1/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC022	RC	254270	761344	35	-50	340	60	Tawana	5.25	2/10/2013	2/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC023	RC	254251	761410	21	-50	340	54	Tawana	5.25	2/10/2013	2/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC024	RC	253998	761150	43	-50	340	72	Tawana	5.25	2/10/2013	2/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC025	RC	253607	761180	43	-50	24	66	Tawana	5.25	2/10/2013	2/10/2013	Phase I-Resources

DataSet	Prospect	Hole ID	Hole type	UtmE 29N	UtmN 29N	Reg RL	Plan dip	Plan Azim	Hole depth(m)	Hole Start	Hole Finish	Drill Prog
Mofe Creek	Gofolo Main	GMRC026	RC	253618	761236	59	-50	24	60	3/10/2013	3/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC027	RC	253588	761125	36	-50	24	72	3/10/2013	4/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC028	RC	252846	761560	62	-50	24	90	4/10/2013	4/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC029	RC	252850	761599	51	-50	24	60	4/10/2013	4/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC030	RC	252859	761680	44	-50	24	54	5/10/2013	5/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC031	RC	252818	761493	54	-50	24	106	5/10/2013	6/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC032	RC	253224	761318	49	-50	24	96	8/10/2013	8/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC033	RC	253205	761263	41	-50	24	96	8/10/2013	9/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC034	RC	253238	761385	55	-50	24	72	9/10/2013	9/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC035	RC	253252	761432	59	-50	24	72	9/10/2013	9/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC036	RC	252888	761737	26	-50	24	66	9/10/2013	9/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC037	RC	254018	761091	39	-50	24	90	10/10/2013	10/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC038	RC	253979	761212	37	-50	24	66	10/10/2013	10/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC039	RC	253600	761185	48	-90	24	77	10/10/2013	11/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC040	RC	253418	761312	55	-90	24	72	15/10/2013	15/10/2013	Phase I-Resources
Mofe Creek	Gofolo Main	GMRC041	RC	252844	761600	58	-90	24	90	15/10/2013	16/10/2013	Phase I-Resources
Mofe Creek	Gofolo NE	GNERC001	RC	256464	761784	56	-50	327	48	16/10/2013	16/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC002	RC	256495	761749	47	-50	327	66	16/10/2013	16/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC003	RC	256766	762041	50	-50	327	78	17/10/2013	17/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC004	RC	256787	762004	44	-50	327	42	17/10/2013	17/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC005	RC	256820	761963	44	-50	327	36	17/10/2013	17/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC006	RC	257080	762211	39	-50	327	54	17/10/2013	17/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC007	RC	257110	762171	33	-50	327	66	17/10/2013	17/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC008	RC	257054	762258	31	-50	327	54	18/10/2013	18/10/2013	Recon RC
Mofe Creek	Gofolo NE	GNERC009	RC	257056	762334	34	-50	327	48	18/10/2013	18/10/2013	Recon RC

APPENDIX 2: Process flowsheet and summary metallurgical testwork results removed for SENS purposes

APPENDIX 3: JORC Table; Sampling techniques and data - Reporting of Exploration Results

Drilling and Sampling Techniques	<ul style="list-style-type: none"> All drilling was conducted by reverse circulation drilling with sampling conducted by riffle splitting to 2-3kg for dispatch to the assay laboratory All sampling conducted on a 1m basis and composited to 2m intervals for assay
Drill Sample Recovery	<ul style="list-style-type: none"> Moisture content and recovered sample weight were recorded at time of sample recovery on a 1m basis Data used to verify recoveries and sample quality No sample recovery or quality issues were encountered during the current drill program likely to impact on the quality of data derived Lower RC drill chip recovery was recognised in the top 10 to 15m from surface and twinned diamond core holes planned at each prospect to check for any potential sample bias
Logging	<ul style="list-style-type: none"> All drill chips logged on site for lithology and mineralisation. A representative sample of the chips on a 1m basis retained on site. All RC chips are photographed for digital storage
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Assaying and sample preparation conducted at SGS laboratory in Monrovia 2-3kg samples as received from Tawana Resources are dried and crushed to 75% passing 2mm 1.5kg riffle split is then pulverised by ring & puck mill to 85% passing 75µm and 200g recovered for analysis

<p>Quality of Assay and laboratory tests</p>	<ul style="list-style-type: none"> • All assaying conducted by Lithium metaborate /lithium tetraborate mixture digest and XRF finish for major elements and Thermo Gravimetric Analyser (TGA) for loss on ignition • Blind standards, blanks and field duplicates inserted every 50th sample by Tawana Resources in the field. Acceptable accuracy and precision have been established for all samples reported • SGS laboratory conducts internal QA/QC on sample preparation; • Every 50th sample screened to confirm % passing 2 mm and 75 um • Crusher and pulverisers cleaned with barren material at the start of every batch • % dust loss determined once per week. • SGS laboratory conducts QA/QC on sample analysis; • 1 Reagent Blank in 40 • 1 Preparation Blank (prep process blank) in 40 • 1 Weighed replicate in 40 • 1 Preparation Duplicate (resplit) in 40 • 1 SRM's in 40
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • All sampling data is recorded in hardcopy format before data entry on site.
<p>Location of Data points</p>	<ul style="list-style-type: none"> • Collar surveys conducted by DGPS survey after hole completion. Down hole surveys conducted at collar and hole bottom and at 5m intervals downhole by Reflex gyroscopic tool • Drill results reported in UTM 29N
<p>Data Spacing and Distribution</p>	<ul style="list-style-type: none"> • Drilling conducted on 400 x 60m and 200 x 60m nominal grid for resource drilling at Gofolo Main and Zaway • Drilling conducted on a nominal 400 x 60m grid for exploration drilling at Gofolo NE
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> • Drilling has been conducted inclined 50° towards 024 at Gofolo Main and Koehnko • Drilling has been conducted inclined 50° towards 007 UTM at Zaway • Drilling has been conducted inclined 50° towards 327 UTM at Gofolo NE • The orientations are essentially perpendicular to the main structural trends at the prospects.
<p>Sample Security</p>	<ul style="list-style-type: none"> • All samples are stored in a secure and gated compound at Tawana Resources Camp facility until handover to the independent laboratory in Monrovia
<p>Audits or Reviews</p>	<ul style="list-style-type: none"> • Field duplicates are reviewed periodically by Tawana Resources technical staff and confirm the validity of the current sampling practice
<p>Mineral tenement</p>	<ul style="list-style-type: none"> • All drilling has been conducted on the Mofe Creek

and land tenure status	<p>exploration license MEL-12029.</p> <ul style="list-style-type: none"> Tawana Resources is 100% holder of the Mofe Creek exploration license.
Exploration done by other parties	<ul style="list-style-type: none"> No other parties have conducted exploration on the license
Geology	<ul style="list-style-type: none"> Mineralization is associated with moderately to steeply dipping iron formation; likely metamorphosed BIF to itabirite and recrystallised within a package of intermixed itabirite and amphibolite and hanging/footwall basement granite-gneiss. The itabirite is medium to coarse grained with relict banded texture and is friable where weathered from surface to an average depth of 25-45m vertical. In-situ iron grades are increased where weathered to form an enrichment blanket from surface to average 25-45m vertical depth and locally higher iron grades are associated with primary magnetite accumulations.
Data Compositing	<ul style="list-style-type: none"> Data composited using weighted average and a maximum of 4m of consecutive internal dilution
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Drilling has been planned to intersect mineralisation perpendicular to strike and as near as possible to true thickness of the lithological units hosting iron formation Intersections through friable mineralisation associated with the weathering profile are typically 25% longer than vertical depth
Balanced reporting	<ul style="list-style-type: none"> All drill intersections have been included in the appendices for received and QA/QC reviewed results
Other substantive exploration data	<ul style="list-style-type: none"> For initial exploration drilling conducted, refer to ASX release of 12th March 2013 and subsequent Gofolo Main drilling intersections refer to ASX release of 20th November 2013
Further Work	<ul style="list-style-type: none"> Further work will include diamond core drilling for metallurgical test-work and twinning of RC drilling for QA/QC

Appendix 4: Licenses, location and ownership structure

Tenement	Location	Structure
MEL-12029	Liberia	100% Tawana Resources through its 100% owned Liberian subsidiary
MEL-11025	Liberia	Joint venture with KBI; a Liberian registered company with option to secure 100% of Fe ore rights
NC30/5/1/2/2/081MR	South Africa	Mining Right transfer to

		Blue Rock Diamonds (AIM: BRD) underway as part of sale of Kareevlei project
MTR371/2007PR	South Africa	100% Tawana Resources SA and its BEE partner Seven Falls
NC30/5/1/1/088PR	South Africa	100% Tawana Resources SA and its BEE partner Seven Falls
PL61/2007	Botswana	100% Seolo Botswana Ltd; a wholly owned subsidiary of Tawana Resources

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Tawana Resources NL

ABN

69 085 166 721

Quarter ended ("current quarter")

31 December 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,019)	(1,976)
(b) development	-	-
(c) production	-	-
(d) administration	(690)	(1,790)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	24
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,701)	(3,742)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(40)	(40)

1.9	Proceeds from sale of:		
	(a) prospects	-	316
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(40)	276
1.13	Total operating and investing cash flows (carried forward)	(1,741)	(3,466)

1.13	Total operating and investing cash flows (brought forward)	(1,741)	(3,466)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,988	3,988
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share issue costs	(186)	(211)
	Net financing cash flows	2,802	3,777
	Net increase (decrease) in cash held	1,061	311
1.20	Cash at beginning of quarter/year to date	955	1,679
1.21	Exchange rate adjustments to item 1.20	28	54
1.22	Cash at end of quarter	2,044	2,044

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	156
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	700
4.2 Development	-
4.3 Production	-
4.4 Administration	400
Total	1,100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,024	935
5.2 Deposits at call	20	20
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,044	955

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			

6.2 Interests in mining
tenements acquired or
increased

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities	-	-		
7.2 Changes during quarter	N/A	N/A		
7.3 +Ordinary securities	1,225,629,043	1,225,629,043		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	249,000,000	249,000,000	\$0.012	\$0.012
7.5 +Convertible debt securities	-	-		
7.6 Changes during quarter	N/A	N/A		
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
Unlisted options	6,750,000	-	\$0.10	17 Jan 2014
Unlisted options	5,000,000	-	\$0.05	9 Sep 2014
Unlisted options	25,000,000	-	\$0.01	8 Mar 2014
Unlisted options	1,250,000	-	\$0.05	10 Nov 2015
Unlisted options	28,500,000	-	\$0.036	30 April 2015
Unlisted options	10,000,000	-	\$0.0001	31 August 2014
Unlisted options	10,000,000	-	\$0.0001	31 August 2015
Unlisted options	10,000,000	-	\$0.0001	31 August 2016
Unlisted options	31,500,000	-	\$0.015	12 December 2016
Unlisted options	10,000,000	-	\$0.046	12 December 2016
Unlisted options	10,000,000	-	\$0.018	12 December 2016
7.8 Issued during quarter	10,000,000 10,000,000 10,000,000 31,500,000 10,000,000 10,000,000	-	\$0.0001 \$0.0001 \$0.0001 \$0.015 \$0.046 \$0.018	31 August 2014 31 August 2015 31 August 2016 12 December 2016 12 December 2016 12 December 2016
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	1,250,000	-	\$0.03	10 Nov 2013
7.11 Debentures	-	-		
7.12 Unsecured notes	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: [Signed] Date: 30 January 2014
Company secretary

Print name: Aaron Finlay

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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