

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
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("Tawana" or "the Company")

Drilling Recommencement on NEW Zaway Target

Tawana Resources NL (ASX: TAW) ("Tawana" or "the Company") is pleased to announce the planned recommencement of drilling at its 100%-owned Mofe Creek project ("Mofe Creek" or "the Project"). This drill programme will focus on the exciting new Zaway North-West exploration target as highlighted in Figure 1 overleaf.

The Zaway North-West target is the Company's highest priority exploration target within the Mofe Creek project area, and has the potential to add significant tonnes to the current resource.

No drilling has previously been completed over this newly explored Zaway North-West target, however access tracks and drill pads built over the 3.5km strike length during the previous field season have exposed friable high-grade itabirite in road cuttings over significant strike and width (refer ASX announcement 29 July 2014).

The drill programme has been designed to minimise costs and focus on the most value accretive targets with significant scale potential, and pre-existing drill access. An initial 19 hole-programme for 1,640m over the Zaway North-West and Zaway main extension targets has been defined.

The Company will use one of the existing diamond drill rigs present on site to mitigate mobilisation costs, and maximise value-accretive data, metallurgical information and geophysical/geotechnical intelligence, from the diamond drill core. "This is an exciting drill target that has the potential to add significant resource tonnes to the Project and is geographically located within a 1-2km radius of the current Zaway-Main deposit" said Executive Chairman, Mr Wayne Richards. "The continuity and extension of the Zaway deposit, coupled with the potential low operating cost of US\$40.60/t FOB at a 2.5 Mtpa production rate¹ as outlined in the Scoping Study, provides a great opportunity for value appreciation within the Company, he added.

1 CAUTIONARY STATEMENT

Full details of the Scoping Study referred to in this announcement were initially released to the ASX in an announcement dated 3 July 2014, and should be read in conjunction with this announcement. All material assumptions underpinning the Scoping Study, production targets and forecast financial information derived from the production targets as well as any cautionary statements and disclosures as required under the ASX Listing Rules and 2012 JORC Code are set out in the announcement dated 3 July 2014 and continue to apply and have not materially changed.

The Scoping Study referred to in this announcement is preliminary in nature as its conclusions are drawn on inferred (74%) and indicated mineral resources (26%). The Scoping Study is based on lower-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. There is also no certainty that the forecast financial information derived from the production targets will be realised.

Additionally the Company has recently acquired high-resolution radar satellite imagery over the planned mine sites, coastal port location and infrastructure corridor areas, for detailed engineering purposes. This imagery has also provided enhanced definition of the exploration targets, on both the Company's 100%-owned exploration tenements (MEL12029 and MEL 1223/14).

Drilling Programme

A total of 19 diamond core drill holes are planned for 1,640m of drilling over the Zaway North-West and Zaway Main targets initially. Drilling is planned to test new targets whilst maximizing the potential to add new resource tonnes as well as provide valuable geotechnical and metallurgical diamond core for future test-work (refer Figure 1). Drilling will be completed using a single Atlas Copco CS1000 track-mounted diamond drill rig in PQ and HQ core diameters. The drill rig is currently stationed in the Sinje Camp and available for immediate deployment.

A total of 16 drill holes are planned over Zaway North-West to test width, depth and strike potential of the high-grade friable itabirite exposed in road and drill pad cuttings. Mineralisation is within 1km of the Zaway Main deposit and within 8km of the Gofolo Main deposit and proposed mine/processing facility.

An additional 3 holes are also planned at the Zaway Main deposit, where previous geotechnical and metallurgical drilling, not included within the Maiden Resource Estimate (refer ASX release 31st March 20142), has confirmed mineralisation is still open to the south.

New Topographic Data Acquisition

The Company has recently acquired detailed radar satellite topographic imagery over the entire Project area including planned mine location(s); infrastructure corridors between mining hubs and from the first mine to the proposed coastal port location; and the port receival and dispatch site (including landside product storage facility). The digital elevation model ('DEM'), which represents a more accurate survey of the earth's surface without the masking effects of vegetation, provides better topographic control over the Project area for PFS-level engineering studies. The DEM has the added bonus of better defining topographic highs, which when observed in conjunction with the aeromagnetics data complements future exploration targets.

In addition to providing better quality elevation control for resource, mine, port and infrastructure engineering purposes, exploration targets are better defined and strike extents are more clearly visible, facilitating target definition for future drill planning.

During, or on completion of the diamond drilling programme, the Company's in-house geological team will continue to assess the newly outlined exploration targets through surface mapping, hand auger and hand-held XRF analysis as part of the Company's ongoing target assessment.

About Tawana (ASX & JSE: TAW)

Tawana Resources NL 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 85km 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 471km² 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 in the 64-68% Fe grade range, for which there is consistent global demand, attracting significant price premiums.

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

Competent Persons Statement

The information in this report that relates to Exploration Results and Resources is based on information compiled by Len Kolff, who is a member of the Australian Institute of Geoscientists. Len Kolff 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'. Len Kolff consents to the inclusion of the matters in this report based on his information in the form and context in which it appears.

The information in this Report relating to the Mofe Creek Resource Estimate and Scoping Study are extracted from the 31 March 2014 Maiden Resource and 3 July 2014 Scoping Study announcements. The Company is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward Looking Statement

This report may contain certain forward looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Tawana Resources NL. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

Tawana Resources NL does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither TAW or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of TAW, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this presentation.

Notes

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- 2 For more information on the 61.9Mt Resource estimate, refer to ASX announcement dated 31 March 2014. Tawana Resources is not aware of any new information or data that materially effects the information included in the said announcement.

10 February 2015

Sponsor

PricewaterhouseCoopers Corporate Finance (Pty) Ltd