

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
Share code on the JSE Limited: TAW
JSE ISIN: AU0000TAWDA9
Share code on the Australian Stock Exchange Limited: TAW
ASX ISIN: AU000000TAW7
("the Company" or "Tawana")

NON RENOUNCEABLE RIGHTS ISSUE

Tawana Resources NL ("Tawana" or the "Company") is pleased to announce it is undertaking a 1 for 1 pro rata non-renounceable rights issue (**Rights Issue** or **Offer**) of approximately 73,762,651 fully paid ordinary shares (**New Shares**) to raise approximately \$1,106,441. The price of New Shares under the Offer is \$0.015 ZAR0.16268 each (**Issue Price**).

The Offer is not underwritten.

Completion of the Offer will result in an increase in cash in hand of up to approximately \$1,106,441 (before the payment of costs associated with the Offer). The Company intends to apply the funds raised under the Offer as follows:

Item	Allocation	\$	%
A	Mofe Creek Iron Ore Project maintenance and associated Liberian administration costs	341,061	30.83
B	Company and administration expenses ¹	241,250	21.80
C	Potential acquisition opportunities	150,000	13.56
D	Working capital ¹	334,130	30.20
E	Expenses of the Offer	40,000	3.61
	Total	1,106,441	100

In the event that the Company raises less than the full subscription of \$1,106,441 (and after accounting for Offer costs), any funds raised will be allocated proportionately between items A and B. Any remaining funds will then be used to examine potential opportunities (item C) and then for general working capital (item D).

The above table is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5pm (WST) on Friday, 13 May 2016 (**Record Date**), whose registered address is in Australia, New Zealand or Shareholders registered on the JSE.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 73,762,651 New Shares resulting in total Shares on issue of approximately 147,525,502. These figures assume that no options are exercised before the Record Date.

Key dates for the Offer

Event	Proposed Date
Offer Document, cleansing notice and Appendix 3B lodged with ASX Notification sent to option holders	Wednesday, 4 May 2016
Notice of Rights Issue sent to security holders	Thursday, 5 May 2016
Last day to trade in shares on JSE in order to be entitled to participate in the non-renounceable Rights Issue	Friday, 6 May 2016
Shares trade "ex-rights" on the JSE	Monday, 9 May 2016
Existing shares quoted on an 'ex' basis	Thursday, 12 May 2016
In South Africa, no dematerialisation or rematerialisation of Tawana share certificates may take place between Monday, 9 May 2016 and Friday, 13 May 2016, both dates inclusive, nor may transfers between the Australian register and the South African register take place between the aforementioned dates	
Record Date to determine entitlements under the Rights Issue on the JSE	Friday, 13 May 2016
Record Date to identify security holders entitled to participate in the offer (ASX)	Friday, 13 May 2016
Despatch of Rights Issue Documents to JSE and ASX Eligible Shareholders Announcement on ASX and JSE that despatch of Offer Document and Entitlement and Acceptance Form is complete. Offer Period Opens	Wednesday, 18 May 2016
Last day to extend offer Closing Date	Tuesday, 24 May 2016
Offer Period Closes (5pm (AEST) for ASX and 12 midday Johannesburg time for JSE)	Friday, 27 May 2016
Securities quoted on a deferred settlement basis.	Monday, 30 May 2016
Entitlement Shares begin trading and new shares list on JSE	Tuesday, 31 May 2016
Notification of under-subscriptions to ASX (if any)	Wednesday, 1 June 2016
Shares issued – Deferred settlement trading ends on ASX	Friday 3, June 2016

Normal T+2 trading for New Shares on ASX commences	Monday, 6 June 2016
Issue of New Shares (JSE) at commencement of trading on JSE	Tuesday, 7 June 2016

This timetable is indicative only and subject to change. Subject to the Corporations Act 2011 (Cth) (the **Act**) and the ASX Listing Rules, the Directors of the Company, reserve the right to vary these dates, including the closing date of the Offer, without prior notice.

Full details of the terms and conditions of the Rights Issue is contained in the offer document to be lodged with ASX and to be despatched to Eligible Shareholders in accordance with the timetable set out above (**Offer Document**).

Notice under section 708AA of the Corporations Act 2001 (Cth)

The Company provides the following information:

- (a) the Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Act.
- (b) the Company is providing this notice under s708AA(2)(f) of the Act.
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act.
- (d) as at the date of this notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B. the rights and liabilities attaching to the New Shares.
- (e) the potential effect that the issue of the new Shares pursuant to the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. If all eligible shareholders take up their entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Offer. In the event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Offer and ineligible shareholders unable to participate in the Offer will be diluted relative to those shareholders who subscribe for some or all of their entitlement

A copy of the Offer Document is available on ASX and JSE announcement platforms and the Company's website. Eligible Shareholders will be mailed an Offer Document together with an Entitlement and Acceptance Form no later than Wednesday, 18 May 2016. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Offer Document.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Michael Naylor on +61 8 9489 2600.

For and on behalf of the Board

MICHAEL NAYLOR
EXECUTIVE DIRECTOR

4 May 2016

Sponsor PricewaterhouseCoopers Corporate Finance Proprietary Ltd