

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")

NOTICE OF GENERAL MEETING

PLEASE NOTE: ALL GRAPHICS HAVE BEEN REMOVED FOR SENS PURPOSES. PLEASE REFER TO TAWANA WEBSITE FOR THE COMPLETE ANNOUNCEMENT.

Please find following a Notice of General Meeting and accompanying Proxy Form which was sent by mail to Tawana Resources NL (ASX:TAW) sharholders today.

For and on behalf of the Board

Michael Naylor

Director and Company Secretary

22 July 2016

Sponsor: PriceWaterhouseCoopers Proprietary Limited.

TAWANA RESOURCES NL

ACN 085 166 721

NOTICE OF GENERAL MEETING

TIME: 10.00am (WST)

DATE: 23 August 2016

PLACE: 288 Churchill Avenue, Subiaco, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9489 2600.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10.00am (WST) on 23 August 2016 at 288 Churchill Avenue, Subiaco, Western Australia.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am (WST) on 21 August 2016.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. **RESOLUTION 1 – ISSUE OF SHARES IN CONSIDERATION FOR THE ACQUISITION OF MOUNT BELCHES PTY LTD**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 40,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. **RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – TRANCHE 1 OF CAPITAL RAISING**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,600,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. **RESOLUTION 3 – ISSUE OF SHARES – TRANCHE 2 OF CAPITAL RAISING**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of Resolutions 1 and 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 50,400,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – PARTICIPATION OF RELATED PARTY IN CAPITAL RAISING – MICHAEL NAYLOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Shares to Michael Naylor (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Michael Naylor (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – PARTICIPATION OF RELATED PARTY IN CAPITAL RAISING – MICHAEL BOHM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Shares to Michael Bohm (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Michael Bohm (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – PARTICIPATION OF RELATED PARTY IN CAPITAL RAISING – ROBERT BENUSSI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Shares to Robert Benussi (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Robert Benussi (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – ISSUE OF OPTIONS TO RELATED PARTY – MICHAEL NAYLOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Michael Naylor (or his nominee) on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Michael Naylor (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 8 – ISSUE OF OPTIONS TO RELATED PARTY – MICHAEL BOHM

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Michael Bohm (or his nominee) on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Michael Bohm (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or

- (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – ROBERT BENUSSI

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Robert Benussi (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Robert Benussi (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 21 July 2016

By order of the Board



Michael Naylor
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND

1.1 Summary of the Acquisition

As announced on 11 July 2016, the Company has conditionally agreed to acquire 100% of the issue share capital in Mount Belches Pty Ltd (**Mount Belches Acquisition**) pursuant to a binding term sheet dated 11 July 2016 (**Term Sheet**). Completion of the Acquisition is conditional upon the Company obtaining all necessary Shareholder and regulatory approvals pursuant to the ASX Listing Rules, the Corporations Act and any other relevant law on or before 31 August 2016.

Mount Belches is the legal and beneficial owner of:

- one exploration licence application (E15/1525); and
- an option to acquire three exploration licences and one exploration licence application (E15/1205, E15/1446, E15/1377 and E15/1401) from the registered holders of such licences (**Licence Holders**) pursuant to an option agreement dated 20 May 2016 (**Option Agreement**),

(together the **Mount Belches Projects**), each of which are prospective for lithium and are located in the Goldfields region of Western Australia.

The Mount Belches Projects are located in two project areas:

- **Cowan** – comprising the three granted exploration licences E15/1205, E15/1446, E15/1377 totalling 159 square km and located approximately 55km south-east of Kambalda; and
- **Yallari** – comprising the two exploration licence applications E15/1401 and E15/1525 totalling 100 square km and located approximately 25km south-east of Coolgardie, adjacent to the Coolgardie-Esperance Hwy..

Further details of the Mount Belches Projects are set out in section 1.2 below.

The Company has appointed the sole director of Mount Belches, Mark Calderwood, as Chief Executive Officer effective from 11 July 2016.

Upon exercise of the option under the Option Agreement, Mount Belches is required to pay a purchase price of \$2,000,000 to the Licence Holders to be satisfied in cash or by the issue of shares in an ASX listed entity (at a deemed issue price equal to the volume weighted average price of such shares in the 30 day period prior to the date of issue) at the election of the Licence Holders. Upon exercise of the option under the Option Agreement, a 2% gross royalty on all mineral production from the Mount Belches Projects is payable to the Licence Holders. None of the Licence Holders are related parties of the Company.

The consideration for the Acquisition will be satisfied by the Company issuing 40,000,000 Shares (**Consideration Shares**) to the three shareholders of Mount Belches on a pro rata basis in proportion to their respective shareholdings in

Mount Belches. None of the Mount Belches shareholders are related parties of the Company. **Resolution 1** seeks Shareholder approval for the issue of the Consideration Shares. On 6 July 2016, the Company paid a non-refundable deposit of \$100,000 in respect of the Acquisition.

In conjunction with the Acquisition, the Company is undertaking a capital raising to raise \$1,750,000 by the issue of 70,000,000 Shares at an issue price of \$0.025 per Share, to be completed in two tranches (**Capital Raising**). **Resolution 2** seeks Shareholder approval for the ratification of the issue of Shares under Tranche 1 of the Capital Raising and **Resolution 3** seeks Shareholder approval for the issue of Shares under Tranche 2 of the Capital Raising. **Resolutions 4 to 6** seek Shareholder approval for the participation by the Directors in Tranche 2 of the Capital Raising.

1.2 Summary of the Mount Belches Projects

(a) Cowan Project

The Cowan Project area is located approximately 55km south-east of Kambalda in the Eastern Goldfields of Western Australia. It is located approximately 75km south east of the Mt Marion Lithium project.

Geology

The project area comprises Archaean quartz-biotite metasediments and amphibolites of the Eastern Goldfields Terrane of the Yilgarn Craton. These metasediments trend north-south and have been intruded by large numbers of pegmatites.

Two main belts of rare element Lithium-Caesium-Tantalum type ("LCT") pegmatites are known in the project area. LCT type pegmatites are derived from highly siliceous, peraluminous (S-Type, 'fertile' granites) as highly fractionated granitic melts. These fractionated melts contain the rare elements (Be, Rb, Cs, Sn, Nb, Ta etc) and a high volatile content (H₂O, F, B, P and Li). Petr Černý's pegmatite classification (Černý 1991)* is the accepted standard. Under this pegmatite classification scheme the project area is prospective for:

- (i) LCT Albite-spodumene: These are typically unzoned, homogeneous pegmatites with subhedral spodumene in a quartz-albite matrix. The Mt Marion pegmatites (located 75km to the northwest) are examples of this subclass.
- (ii) LCT Albite: Zoned albite pegmatites have a fine grained albite and quartz border zone with albite, often of the cleavelandite variety, as the central pegmatite zone. Small quartz lenses and scattered pods of coarsely crystallized quartz, microcline with accessory minerals of beryl and phosphates with mica are found irregularly within the albite central zones. Tantalum minerals are found disseminated within the albite.
- (iii) LCT Complex: There are considered to be four subclasses depending upon which Li-bearing mineral is dominant in the pegmatite.
 - (A) Spodumene: spodumene-dominant lithium-bearing pegmatites that are zoned and mineralogically complex (e.g. the Greenbushes and Mt Cattlin pegmatite deposits).

- (B) Petalite: Zoned pegmatites dominated by petalite and/or its alteration products (e.g. the Londonderry pegmatites, located 105km to the west-northwest).
- (C) Lepidolite: Pegmatites simple or zoned with are rich in lepidolite (e.g. the Mt Deans pegmatites located 105km to the southwest).
- (D) Amblygonite: Amblygonite-rich pegmatites (Ubini pegmatite, located 130km to the west-northwest).

The two large LCT pegmatite belts defined within the project area are:

Mt Belches – Bald Hill

This pegmatite belt striking north to northwest extends for at least 15km, however the pegmatite belt likely extends for at least 25km under transported cover. A large number of albite rich and LCT type Albite-Spodumene pegmatites occur over a width of about 4km. Previous exploration and exploitation has been focused on tantalum and tin. About 10km strike of the pegmatite belt is located on the Mount Belches tenements.

Claypan Dam- Madoonia

This less explored northeast-southwest oriented LCT pegmatite belt has a strike of at least 22km and width of at least 7km. The belt is known to contain LCT Albite pegmatites with tantalite and tin and potentially hosts LCT Albite-Spodumene pegmatites. A significant portion of the belt is covered by the Mount Belches tenements.

The pegmatites occur as gently dipping sheets and as steeply dipping veins which are all elongate in a northerly direction, parallel to the regional foliation. They range in thickness from a few metres to as much as 30 metres and in some instances occur as multiple, parallel dykes or swarms separated by a few metres of sheared metasediments (Jacobson et al 2007)**.

The unweathered pegmatites as exposed in the Bald Hill South pit (south of the project area) are composed of two zones, a quartz-spodumene-albite zone and a quartz-microcline-muscovite-albite zone. From inspection, cassiterite, columbite-tantalite are present as accessory minerals in the quartz-spodumene-albite zone. The zoning is so poorly defined that these pegmatites can be classified as unzoned albite-spodumene pegmatites (Jacobson et al 2007)**.

Outcrops of exposed schist and pegmatites are restricted to limited areas; most of the tenement area is concealed by bluebush floodplain and sandplain and wash zones. Remnants of Eocene sediments also mask bedrock.

****(Černý 1991) is a reference to Černý, P., 1991 – Rare-element granitic pegmatites Part 1: anatomy and internal evolution of pegmatite deposits: Geoscience Canada, V. 18:2, p 49-67***

***** (Jacobson et al 2007) is reference to Jacobson, M . I., Calderwood M. A. and Grguric B. A., 2007 Guidebook to Pegmatites of Western Australia p299-308***

For information on previous work undertaken on the Cowan Project and the Company's proposed initial exploration plans, please refer to the Company's announcement in respect of the Acquisition dated 11 July 2016.

The Yallari Project is located 25km southeast of Coolgardie and about 10km west of Mt Marion. The project areas cover portions of the greenstone sequence that hosts the Mt Marion and Londonderry pegmatite fields. Numerous pegmatites have been mapped by nickel and base metal explorers however there are no records on the rare element content of the pegmatites. These pegmatites based on their mineralogy are probably derived from a peraluminous and possible 'fertile' granite. The geological setting of the pegmatites and the proximity to the Mt Marion and Londonderry lithium bearing pegmatite fields is encouraging.

For further information on the Yallari Project, please refer to the Company's announcement in respect of the Acquisition dated 11 July 2016.

2. RESOLUTION 1 - ISSUE OF SHARES IN CONSIDERATION FOR THE ACQUISITION OF MOUNT BELCHES PTY LTD

2.1 General

A summary of the Acquisition is set out in section 1 above. Resolution 1 seeks Shareholder approval for the issue of 40,000,000 Consideration Shares to the shareholders of Mount Belches in consideration for the Company acquiring the entire issued share capital of Mount Belches.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Consideration Shares pursuant to the Acquisition during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Consideration Shares:

- (a) the maximum number of Consideration Shares to be issued is 40,000,000;
- (b) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same day;
- (c) the deemed issue price will be \$0.025 per Consideration Share and the Consideration Shares will be issued for nil cash consideration in satisfaction of the acquisition by the Company of the entire issued share capital of Mount Belches;
- (d) the Consideration Shares will be issued to the existing shareholders of Mount Belches none of whom is a related party of the Company;
- (e) the Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

- (f) no funds will be raised from the issue of the Consideration Shares as they are being issued in consideration for the acquisition by the Company of the entire issued share capital of Mount Belches.

2.3 Dilution

Assuming no Options are exercised or other Shares issued, the number of Shares on issue would increase from 167,125,502 (being the number of Shares on issue as at the date of this Notice) to 207,125,502 and the shareholding of existing Shareholders would be diluted by approximately 19.3%.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – TRANCHE 1 OF CAPITAL RAISING

3.1 General

A summary of the Capital Raising is set out in section 1 above. On 15 July 2016, the Company issued 19,600,000 Shares at an issue price of \$0.025 per Share to raise \$490,000 under Tranche 1 of the Capital Raising. Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 19,600,000 Shares were issued;
- (b) the issue price was \$0.025 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to professional and sophisticated investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be used to fund exploration programs on the Mount Belches Projects.

4. RESOLUTION 3 – ISSUE OF SHARES – TRANCHE 2 OF CAPITAL RAISING

4.1 General

A summary of the Capital Raising is set out in section 1 above. Resolution 3 seeks Shareholder approval for the issue of up to 50,400,000 Shares at an issue price of \$0.025 per Share to raise up to \$1,260,000 under Tranche 2 of the Capital Raising.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to Tranche 2 of the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Tranche 2 of the Capital Raising:

- (a) the maximum number of Shares to be issued is 50,400,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.025 per Share;
- (d) the Shares will be issued to professional and sophisticated investors determined by the Directors. None of these subscribers will be related parties of the Company other than the Directors whose participation in Tranche 2 of the Capital Raising is subject to Shareholder approval pursuant to Resolutions 4 to 6;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from Tranche 2 of the Capital Raising towards exploration programs on the Mount Belches Projects and general working capital.

4.3 Dilution

Assuming the maximum number of Shares are issued under Resolution 1 and no Options are exercised or other Shares are issued, the number of Shares on issue would increase from 207,125,502 to 257,525,502 and the shareholding of existing Shareholders would be diluted by approximately 19.6%.

5. RESOLUTIONS 4 TO 6 – PARTICIPATION OF RELATED PARTIES IN CAPITAL RAISING – MICHAEL NAYLOR, MICHAEL BOHM AND ROBERT BENUSSI

5.1 General

Pursuant to Resolution 3, the Company is seeking Shareholder approval for the issue of up to 50,400,000 Shares at an issue price of \$0.025 per Share to raise up to \$1,260,000 under Tranche 2 of the Capital Raising.

The Directors Michael Naylor, Michael Bohm and Robert Benussi wish to each participate in Tranche 2 of the Capital Raising.

Resolutions 4 to 6 seeks Shareholder approval for the issue of up to 2,000,000 Shares to each of Michael Naylor, Michael Bohm and Robert Benussi (or their respective nominees) (being a total of 6,000,000 Shares) arising from their participation in Tranche 2 of the Capital Raising (**Participation**).

5.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and Michael Naylor, Michael Bohm and Robert Benussi are related parties of the Company by virtue of being Directors.

The Directors (other than Michael Naylor who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the Shares will be issued to Michael Naylor on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Michael Bohm who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Shares will be issued to Michael Bohm on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Robert Benussi who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Shares will be issued to Robert Benussi on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

5.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Participation involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required

unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

5.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares will be issued to Michael Naylor, Michael Bohm and Robert Benussi (or their respective nominees);
- (b) the maximum number of Shares to be issued is 6,000,000 as follows:
 - (i) 2,000,000 Shares to Michael Naylor;
 - (ii) 2,000,000 Shares to Michael Bohm; and
 - (iii) 2,000,000 Shares to Robert Benussi;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.025 per Share, being the same as all other Shares issued under the Capital Raising;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used for the same purposes as all other funds raised under Tranche 2 of the Capital Raising as set out in section 4.2(f) of this Explanatory Statement.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Michael Naylor, Michael Bohm and Robert Benussi (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

6. RESOLUTIONS 7 TO 9 – ISSUE OF OPTIONS TO RELATED PARTIES - MICHAEL NAYLOR, MICHAEL BOHM AND ROBERT BENUSSI

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 3,000,000 Options (**Related Party Options**) to Michael Naylor, Michael Bohm and Robert Benussi (or their respective nominees) (**Related Parties**) on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Options constitutes giving a financial benefit and Michael Naylor, Michael Bohm and Robert Benussi are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options to the Related Parties.

6.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Michael Naylor, Michael Bohm and Robert Benussi and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - (i) 1,000,000 Related Party Options to Michael Naylor;
 - (ii) 1,000,000 Related Party Options to Michael Bohm; and
 - (iii) 1,000,000 Related Party Options to Robert Benussi;
- (c) the Related Party Options will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Options will be issued on one date;
- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (f) the value of the Related Party Options independently valued by Stantons International Securities and the pricing methodology is set out in Schedule 2;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Michael Naylor	80,000 ¹	150,000 ²

Michael Bohm	nil	nil
Robert Benussi	371,000 ³	nil

¹ 40,000 Shares held by Sarah June Naylor (spouse) and 40,000 Shares held by Michael Naylor and Sarah June Naylor ATF the M D & S J Super Fund.

² 150,000 Class F Options exercisable at \$0.178 each on or before 26 May 2018.

³ Held by Intrepid Concepts Pty Ltd.

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Michael Naylor	\$129,996	\$133,947
Michael Bohm	\$49,275	\$20,531
Robert Benussi	\$39,420	\$3,285

- (i) if the Related Party Options granted to the Related Parties are exercised, a total of 3,000,000 Shares would be issued. Assuming the maximum of Shares are issued under Resolutions 1 and 3, this will increase the number of Shares on issue from 257,525,502 to 260,525,502 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 1.2%, comprising approximately 0.4% by Michael Naylor, 0.4% by Michael Bohm and 0.4% by Robert Benussi.

The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company.

As at the date of this Notice, the Shares are trading on ASX at a price greater than the exercise price of the Related Party Options. The Board resolved to issue the Related Party Options, subject to Shareholder approval, on the terms and conditions set out in this Notice at a time when the Shares were trading on ASX at a price lower than the exercise price of the Related Party Options, but Shareholder approval has not been able to be obtained until the date of the Meeting. The Board resolved to issue the Related Party Options to Messrs Naylor, Bohm and Benussi on 4 July 2016 when the closing price of Shares on ASX was 3 cents (i.e. the exercise price then represented a 100% increase in the closing price). In addition the newly appointed Chief Executive Officer was granted Options on the same terms and conditions.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	7.6 cents	13 July 2016

Lowest	2.0 cents	7 January 2016
Last	7.6 cents	13 July 2016

- (k) the Board acknowledges the grant of Related Party Options to Michael Bohm and Robert Benussi is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to Michael Bohm and Robert Benussi reasonable in the circumstances for the reason set out in paragraph (m);
- (l) the primary purpose of the grant of the Related Party Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (m) Michael Naylor declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 7 be passed. However, in respect of Resolutions 8 and 9, Michael Naylor recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of Related Party Options to the Related Parties will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (n) Michael Bohm declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 8 be passed. However, in respect of Resolutions 7 and 9, Michael Bohm recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (o) Robert Benussi declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 9 be passed. However, in respect of Resolutions 7 and 8, Robert Benussi recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);

- (p) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price and expiry date of those Related Party Options; and
- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 7 to 9.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Tawana Resources NL (ACN 085 166 721).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option or Related Party Option as the context requires.

Proxy Form means the proxy form accompanying the Notice.

Related Party Option means an Option granted pursuant to Resolutions 7 to 9 with the terms and conditions set out in Schedule 1.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

1. General

- 1.1 No monies will be payable for the issue of the Related Party Options.
- 1.2 Each Related Party Option shall carry the right, subject to any Shareholder approval required under the Corporations Act or the ASX Listing Rules, to subscribe for one fully paid ordinary share in the capital of the Company (**Share**).
- 1.3 The Related Party Options will vest immediately (**Vesting Date**) and are exercisable at any time after the Vesting Date until 30 June 2019 (**Expiry Date**).
- 1.4 The Related Party Options are forfeited if the Optionholder's employment with the Company ceases prior to the Related Party Options vesting.
- 1.5 Related Party Options may be exercised in whole or in part in parcels. An exercise of only some Related Party Options shall not affect the rights of the party holding the Related Party Option (**Incentive Optionholder**) to the balance of the Related Party Options held by the Incentive Optionholder.
- 1.6 The exercise price of each Related Party Option will be \$0.06 (**Exercise Price**).
- 1.7 The Exercise Price for the Related Party Options shall be payable in full on exercise of those Related Party Options.
- 1.8 Related Party Options are only exercisable by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of Related Party Options being exercised and must be accompanied by:
 - (a) the option certificate for those Related Party Options for cancellation by the Company; and
 - (b) payment of the Exercise Price for each Share to be issued on exercise of the Related Party Options specified in the notice.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque) by the Expiry Date.
- 1.9 The Company shall allot the resultant Shares and deliver the holding statements within 10 Business Days of the exercise of the Related Party Options.
- 1.10 Related Party Options may be exercised into Shares to be held in the name of the Incentive Optionholder's nominee.
- 1.11 The Related Party Options are transferable with Board approval. It is not intended that an application will be made to ASX for the quotation of the Related Party Options.

- 1.12 Shares allotted pursuant to an exercise of Related Party Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with the ASX Listing Rules, make application to have Shares allotted pursuant to an exercise of Related Party Options listed for official quotation on the ASX, if the Company is listed on the ASX at the time.
- 1.14 The Incentive Optionholder is not entitled to participate in any new issue of securities to existing holders of Shares in the Company unless the Incentive Optionholder exercises the Related Party Options before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares. The Company must give the Incentive Optionholder, in accordance with the ASX Listing Rules, notice of any new issue of securities before the record date for determining entitlements to the new issue.
- 1.15 If there is a bonus share issue (**Bonus Issue**) to the holders of Shares, the number of Shares over which a Related Party Option is exercisable will be increased by the number of Shares which the Incentive Optionholder would have received if the Related Party Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.
- 1.16 If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency, and prior to the exercise, of any Related Party Options, the Exercise Price of a Related Party Option and the number of Shares over which the Related Party Options are exercisable will not be adjusted.
- 1.17 If, prior to the expiry of any Related Party Options, there is a reorganisation of the issued capital of the Company, then the rights of the Incentive Optionholder (including the number of Related Party Options to which each Incentive Optionholder is entitled and the Exercise Price) is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 1.18 The Related Party Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Related Party Options.

2. **Lapse of Related Party Options**

- 2.1 Related Party Options not validly exercised on or before the Expiry Date will automatically lapse.
- 2.2 If at any time prior to the Expiry Date an Incentive Optionholder dies, the deceased Incentive Optionholder's legal personal representative may:
- (a) elect to be registered as the new holder of the deceased Incentive Optionholder's Related Party Options;
 - (b) whether or not he or she becomes so registered, exercise those Related Party Options in accordance with and subject to these

terms as if he were the Incentive Optionholder of them; and

- (c) if the deceased Incentive Optionholder had already given the Company a notice of exercise of his or her Related Party Options, pay the Exercise Price in respect of those Related Party Options.

2.3 Subject to clause 2.4, and notwithstanding that the Board has discretion to waive this accelerated lapsing provision, in the event that the Incentive Optionholder resigns as an employee of the Company, or is terminated by the Company for any reason, the Related Party Options shall lapse 28 days following the resignation or termination.

2.4 Clause 2.3 does not apply if any of the following change of control events occur subsequent to the grant of the Related Party Options but prior to the cessation of the Incentive Optionholder's engagement with the Company:

- (a) a party acquires a relevant interest in more than 50% of the Shares in the Company under a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- (b) a party acquires a relevant interest in more than 50% of the Company's ordinary Shares pursuant to a takeover bid; or
- (c) a person or a group of associated persons becomes entitled to sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board and such changes to the Board are implemented.

Should any of the above change of control events occur subsequent to the grant of the Related Party Options but prior to the cessation of the Incentive Optionholder's engagement with the Company, the Related Party Options will not lapse within 28 days of the date of cessation of the Incentive Optionholder's engagement with the Company and the respective Expiry Date referred to in clause 1.3 will apply.

SCHEDULE 2 – VALUATION OF RELATED PARTY OPTIONS

PROXY FORM

TAWANA RESOURCES NL
ACN 085 166 721

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10.00am (WST) on 23 August 2016 at 288 Churchill Avenue, Subiaco, Western Australia, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 7 to 9 (except where I/we have indicated a different voting intention below) even though Resolutions 7 to 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Issue of Shares in Consideration for the Acquisition of Mount Belches Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issue of Shares – Tranche 1 of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Shares – Tranche 2 of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Participation of Related Party in Capital Raising – Michael Naylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Participation of Related Party in Capital Raising – Michael Bohm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Participation of Related Party in Capital Raising – Robert Benussi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Options to Related Party - Michael Naylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Options to Related Party - Michael Bohm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Options to Related Party - Robert Benussi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

**Consent for contact by e-mail
in relation to this Proxy Form:** YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Tawana Resources NL, 288 Churchill Avenue, Subiaco, WA 6008; or
 - (b) facsimile to the Company on facsimile number +61 8 9489 2600; or
 - (c) email to the Company at michael.naylor@tawana.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.