

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 Securities Exchange Limited: TAW
ASX ISIN: AU000000TAW7
("the Company" or "Tawana")

CAPITAL RAISING COMPLETED TO PROGRESS LITHIUM PROJECTS

Tawana Resources NL ("Tawana" or the "Company") is pleased to announce that it has received commitments for a placement to raise \$7.2 million (before costs) via the issue of 60 million shares at an issue price of \$0.12 per share. The placement was strongly supported by quality institutional investors, reflecting the quality of the Company's lithium assets.

Under the terms of the placement, the Company will issue 29,628,825 shares under its 15% placement capacity in the coming days and will issue a further 30,371,175 shares following shareholder approval (expected early December).

The placement price of \$0.12 per share represents less than an 8% discount to Tawana's last traded price of \$0.13 on 20 October 2016 and a 3% discount to the 30 day trading VWAP.

The funds from tranche 1 of the placement will be used to continue the substantial drilling program at the Cowan Lithium Project, conduct due diligence on the adjoining Bald Hill Mine (refer ASX announcement on 24 October 2016) and complete the drilling and metallurgy at the Uis Lithium Project in Namibia.

Funds from tranche 2 of the placement will be used to advance the Bald Hill Mine and Cowan Lithium Project including further drilling, metallurgical test work, engineering studies and potential development scenarios.

Tawana's Managing Director, Mr Mark Calderwood stated, "I am extremely pleased with the level of support from the placement, particularly with some new domestic institutional shareholders who have joined the register. These funds will be used to rapidly progress our stated objective of advancing towards spodumene production."

Canaccord Genuity (Australia) Limited acted as the Lead Manager to the placement.

For and on behalf of the Board

Mark Calderwood -Managing Director

About Tawana (ASX & JSE: TAW)

Tawana Resources NL is an ASX and JSE-listed Company which owns or has earn-in rights to significant lithium projects in Western Australia and Namibia.

Its principle projects are the 950km² Cowan and Bald Hill tenement packages located 50km south east of Kambalda in Western Australia covering two very large pegmatite belts with significant lithium resource potential. The Bald Hill Mine is one of the few West Australian mines ever to have produced high grade spodumene concentrate.

The Company also owns the rights to the giant pegmatite tailings project in Namibia. The tailings stockpile is estimated to be about 20 million tonnes and sampling to date has

indicated potentially attractive lithium grades. Drilling will be completed in October 2016 with assay results available in December 2016.

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.

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26 October 2016

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