

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")

Recent Announcements Clarification and Retraction

Tawana Resources NL ("Tawana" or the "Company") refers to the Company's announcements dated 3 April 2017 "Tawana Resources NL - Investor Presentation April 2017" and 16 March 2017 "Excellent Results from Large Scale Metallurgical Test Work" (Original Announcements). The Original Announcements contain reference to indicative plant operating parameters (Parameters) for the purpose of a Feasibility Study which is due for release at the end of April 2017.

For the avoidance of doubt, investors are advised that the Parameters being investigated as part of the Feasibility Study do not constitute a production forecast or target in relation to mineral resources associated with any of the Company's projects.

The Company wishes to clarify that the Company has performed metallurgical test work on the proposed 1mtpa Dense Media Separation ("DMS") and based the metallurgical results obtained from variability test work, the potential output was stated.

In saying that, in an effort to avoid any potential confusion, the Company wishes to retract the following Original Announcements:

- 3 April 2017 "Tawana Resources NL - Investor Presentation April 2017". A replacement announcement can be found on the Company's website at: www.tawana.com.au.
- 16 March 2017 "Excellent Results from Large Scale Metallurgical Test Work". A replacement announcement is attached.

The Company cautions investors against using any statements made in the Original Announcement which may indicate or amount to a reporting of a production target or forecast financial information, as a basis for making any investment decisions about shares in the Company.

The primary purpose of disclosing this information was to inform on the plant feed size being considered in the Feasibility Study and provide an intended scale of the Bald Hill Mine, should the outcome of the feasibility warrant support construction.

For further information, please contact Michael Naylor, the Company Secretary on +61 8 9489 2600

07 April 2017

Sponsor
PricewaterhouseCoopers Corporate Finance (Pty) Ltd

Excellent Results from Large Scale Metallurgical Test Work

Tawana Resources NL (“Tawana” or the “Company”) is pleased to announce that larger scale metallurgical test work has delivered exceptional results which will allow for a simple, low-capital, low-risk startup operation and a short construction period for the planned commissioning at the Bald Hill Lithium and Tantalum Mine in October 2017.

Refer to the attached Joint Announcement in relation to metallurgical results at the Bald Hill Mine.

Highlights

- Larger scale metallurgical test work completed.
- Two key findings of Bald Hill mineralisation are:
 - The ability to produce grades well in excess of 6% Li₂O at good mass yields and acceptably low iron content.
 - The ability to reject 60-70% of the feed mass after a first pass Dense Media Separation (“DMS”), thus reducing processing costs appreciably.
- After removal of -1mm fines and mica, 78% of feed to the plant, containing 83% of the lithium, is available for low-cost gravity DMS processing.
- Recovery to immediately marketable concentrates from the DMS is 76.4% with an additional 21.8% reporting to secondary concentrates for future processing.
- The benefits of the selected process route, for the stage one DMS circuit, are:
 - **Low capital cost**
 - **Short time to commissioning, low risk**
 - **Very low processing cost**
 - **Production of a coarse high grade premium concentrate**
- A circuit to treat the fines and secondary concentrates will be constructed after production commences and will be funded out of cash flow.
- The plan is to operate the existing tantalum plant concurrently with the DMS spodumene circuit adding significant by-product credits. This plant would be fed from fines from the DMS circuit and additional high grade tantalum mineralisation mined whilst mining lithium mineralisation.
- The DMS Feasibility study is well advanced with plant and infrastructure costings for the DMS circuit expected at the end of March.
- A 5 tonne sample is currently being processed to provide concentrate parcels for potential off-take partners.
- A number of off-take partners have visited the Project in the past few weeks and the company is currently advancing negotiations for offtake.

About Tawana (ASX & JSE: TAW)

Tawana Resources NL is focused on becoming a spodumene producer in 2017 with its high-quality lithium projects in Western Australia and Namibia.

Tawana’s principal projects are the Bald Hill Lithium and Tantalum Mine (earning a 50% interest) and the adjacent Cowan Lithium Project. The projects have numerous high quality spodumene-rich pegmatites, some of which have been historically mined and processed for tantalum at the existing Bald Hill processing facility.

The Company also owns rights to the giant Uis pegmatite tailings stockpile in Namibia, estimated to be 20 million tonnes. Drilling has been completed and metallurgical test has commenced. If the testwork returns acceptable recoverable grades, there is potential for a low capex/opex operation.

The Company also owns the Mofe Creek Iron Ore Project in coastal Liberia. The deposits are characterised by exceptionally coarse grained, high-grade free-dig, itabirite that have the potential to deliver a premium, low cost product. The Company is completing a Mineral Development Agreement (“MDA”) with the Government of Liberia and is considering initially collaborating with owners of the under-utilized port of Monrovia or others with a desire to develop a low capital cost DSO operation.