

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**")

Response to ASX price and volume query

Dear Hayley

We refer to your letter dated 6 July 2017 querying the change in trading price of TAW shares from a closing price of \$0.19 on Wednesday 5 July 2017, to an intra-day high of \$0.245 today, 6 July 2017, and an increase in the volume of trading in Company's securities over this period ("Letter").

In response to your questions outlined in the Letter, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in the Company's securities.
2. Not applicable.
3. The Company provides the following potential explanations for the recent trading in the Company's securities:
 - a) On Wednesday 5 July 2017, Volvo Car Group announced that it will cease producing petrol-only vehicles from 2019 and has thereby become the first major traditional automaker to set a date for phasing out vehicles powered by internal combustion engines. As lithium is a major component of lithium-ion batteries that are used in the electric vehicle industry, it is likely to have provided market assurance about the longevity of current lithium pricing which Tawana, being a near-term producer, can take advantage of.
 - b) This has also been compounded by Neometals Limited (ASX: NMT) and Mineral Resources Limited (ASX: MIN) announcing on 5 July 2017 that it had reached agreement with Ganfeng Lithium that effective 1 July 2017 the price payable per tonne of 6% spodumene concentrate produced at Mt Marian and delivered CFR had increased from US\$750 to US\$841, also confirming that the current pricing of lithium concentrate is sustainable.
 - c) All major Australian, listed lithium producers and/or developers have also enjoyed increased trading and price appreciation.
4. The Company confirms it is in compliance with its continuous disclosure obligations and the Listing Rules of the ASX, in particular Listing Rule 3.1.
5. The Company can confirm that its responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy and approved by the Board.

Please do not hesitate to contact me if further information is required.

Yours sincerely

Michael Naylor
Company Secretary

06 July 2017

Sponsor
PricewaterhouseCoopers Corporate Finance (Pty) Ltd