

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")

## Tawana secures \$5m Loan Facility for Bald Hill Project

**Tawana Resources NL (ASX: TAW) (Tawana or the Company)** is pleased to announce that Lithco No.2 Pty Ltd (**Lithco**), its wholly-owned subsidiary which holds Tawana's 50% interest in the Bald Hill Lithium and Tantalum Mine (**Bald Hill Project**), has executed a binding A\$5 million loan agreement with Red Coast Investment Limited, an investment company nominated by German company Weier Antriebe und Energietechnik GmbH (**Weier**). The loan agreement is part of the A\$25 million funding package to support works at the Bald Hill Project, initially announced on 20 October 2017.

The key terms of the loan agreement are:

- Interest of 11% per annum payable quarterly in arrears;
- Single draw down before 30 June 2018;
- Maturity and single repayment date of 31 December 2019;
- Loan may be prepaid at any time before maturity without penalty;
- No facility fees;
- Draw down conditional on customary condition precedents, including provision of security over Lithco's interest in the DMS plant.

The funds will be used for development at the Bald Hill Project and working capital.

Weier is a 100%-owned subsidiary of lithium industry specialist Jiangte Special Electric Motor Co. Ltd (**JSMC**), a company listed on the Shenzhen Stock Exchange.

Tawana Managing Director Mark Calderwood stated: *"We are pleased with the favourable loan terms and we value the continued support from Weier as we advance towards lithium concentrate production this quarter."*

### About the Bald Hill Project

The Bald Hill Project comprises four mining leases, one mining lease application, 12 exploration licences, eight prospecting licences and one general purpose lease totalling 774km<sup>2</sup>. The project is owned 50:50 by Tawana and Singapore Exchange -listed Alliance Mineral Assets Limited (**AMAL**) (SGX:40F).

The first lithium concentrate production is targeted for the first quarter of 2018 and first delivery anticipated in April 2018. The Project is fully funded to first shipment.

Each of Tawana and AMAL executed an offtake agreement in April 2017 (and subsequent variations thereto) for the supply of lithium concentrate from Bald Hill over a five-year term with pricing for 2018 and 2019 of US\$880/t (FOB Esperance) for 6% Li<sub>2</sub>O. The prepayments from the aforesaid offtake agreement are being used towards the capital costs of the Project.

The Project is located 50km southeast of Kambalda in the Eastern Goldfields of Western Australia, and approximately 75km southeast of the Mt Marion Lithium project.

A current Indicated and Inferred lithium Mineral Resource of 18.9 million tonnes at 1.18% Li<sub>2</sub>O, and 149ppm Ta<sub>2</sub>O<sub>5</sub> at a 0.5% Li<sub>2</sub>O cut-off for the Project was calculated by CSA Global Pty Ltd.<sup>1</sup>

The Project remains significantly underexplored and significant drilling is planned for 2018.

**End Notes**

1. All material assumptions and technical parameters underpinning the Mineral Resource estimates in the ASX announcement dated 11 October 2017 / SGX announcement dated 12 October 2017 continue to apply and have not materially changed since it was last reported.

05 February 2018

**Sponsor**

PricewaterhouseCoopers Corporate Finance (Pty) Ltd