

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
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("the Company" or "Tawana")

Commissioning Commences at Bald Hill Lithium Plant

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

Tawana Resources NL (TAW:ASX) (**Tawana**) and Alliance Mineral Assets Limited (SGX:40F) (**AMAL**) are pleased to advise they have commenced commissioning the Dense Media Separation (**DMS**) circuit at the Bald Hill Lithium and Tantalum Mine in the Eastern Goldfields region of Western Australia.

The plant commissioning is a significant step towards becoming Australia's next hard rock lithium producer. The Bald Hill Project (**the Project**) is a joint venture project between Tawana and AMAL.

Highlights

DMS Plant construction activities have reached commissioning stage.

- The power plant is operational.
- The Motor Control Centre/ Low Voltage (**MCC/LV**) switch room has been commissioned.
- Dry commissioning has commenced and is planned to continue until late February.
- Crushing and stockpiling of ore has commenced.
- Wet commissioning is scheduled to commence on 21 February.
- Ore feed to the DMS is expected in early March, subject to successful wet commissioning.
- Mining daily movements averaging circa 20,000m³ per day.

Tawana's Managing Director Mark Calderwood said *"We have reached the commissioning stage where construction transforms into operations. The plant will be ramped up to full production run rate over several months however we will be producing spodumene concentrates from the day ore is fed to the DMS circuit.*

This is a pivotal time for the Project, as we make the transition from a developer to producer."

Commissioning

The commissioning phase of construction of the DMS lithium circuit has commenced. Commissioning activities include:

- New power station commissioned and operational.
- MCC/LV switch room commissioning checks completed.
- Crusher commissioned and building crushed ore stockpile.
- Dry commissioning of DMS circuit has commenced and is scheduled to be completed by the end of February, excluding non-essential items.
- Commissioning of the water services systems scheduled to commence 16 February.

- Wet commissioning of the DMS scheduled to start 21 February.
- Ore commissioning scheduled to commence in early March, subject to successful wet commissioning.

Primero Group, the company responsible for the design and construction of the DMS and fines tantalum circuit, will be operating the plant under an operations and maintenance contract for an extended period. This will allow for a relatively seamless transition from construction through to operations.

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 774km². The project is owned 50:50 by Tawana and AMAL.

The first lithium concentrate production has been targeted for the first quarter of 2018 and first delivery anticipated in April 2018.

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% Li₂O. 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. Refer Figure 1.

A current Indicated and Inferred lithium Mineral Resource of 18.9 million tonnes at 1.18% Li₂O, and 149ppm Ta₂O₅ at a 0.5% Li₂O cut-off for the Project was calculated by CSA Global Pty Ltd.¹

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 as representation or warranty, express or implied, of Tawana Resources NL and/or Alliance Mineral Assets Limited. 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 and/or Alliance Mineral Assets Limited. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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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.

15 February 2018

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