

Tawana Resources NL
(Incorporated in Australia)
(Registration number ACN 085 166 721)
Share code on the JSE Limited: TAW
ISIN: AU000000TAW7
Share code on the Australian Stock Exchange Limited: TAW
ISIN: AU000000TAW7
("the Company" or "Tawana")

Bald Hill Plant Achieves Key Milestones

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

Highlights

- **DMS primary gravity concentration circuit has exceeded name-plate throughput rate during a 24-hour performance test run**
- **High quality concentrates produced with grades well in excess of 6% Li₂O**

Tawana Resources NL (TAW:ASX) (**Tawana**) and Alliance Mineral Assets Limited (SGX:40F) (**AMAL**) are pleased to provide an update on ore commissioning at the Bald Hill Lithium and Tantalum Mine (**Bald Hill**) in the Eastern Goldfields region of Western Australia.

Bald Hill, a joint venture project between Tawana and AMAL, is the first Australian mine to commence spodumene production since 2016.

Ore commissioning through the newly-constructed Dense Media Separation (**DMS**) circuit has made significant progress in the first two weeks of operation. The DMS circuit has performed to expectations with nameplate capacity of 162tph achieved within the first 2 weeks of ore commissioning. The DMS circuit is scheduled to be ramped up to full production rate during the second quarter of 2018.

The first of three performance tests has been successfully completed, with:

- 4,152 tonnes of ore processed over a 24-hour period at an average processing rate of 173tph;
- Initial sampling of the primary concentrate returning a grade of **7.03% Li₂O**, 0.34% Fe₂O₃ and 1.12% combined Na₂O and K₂O;
- The concentrates contain less than 1% mica; and
- Initial sampling of waste material returning a grade of 0.10% Li₂O.

These initial results have been achieved on low grade commissioning ore. The plant performance is consistent with results achieved in test work in the development and design phase of the project.

Tawana's Managing Director Mark Calderwood said *"To produce concentrates with more than 6% Li₂O, within the first two weeks of ore commissioning exceeds expectations given the initial low feed grade ore being used for commissioning start up. Equally impressive is the exceptionally low iron and mica contents. It is particularly pleasing to see predicted plant performance being achieved in practice.*

The high quality of concentrates appears to be testament to the favorable mineralogy-metallurgy of the Bald Hill deposit and the bespoke design of the DMS circuit.”

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.

First lithium concentrate product will be available for shipment in April 2018.

Each of Tawana and AMAL executed separate offtake agreements 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 offtake agreements 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% Li₂O, and 149ppm Ta₂O₅ at a 0.5% Li₂O cut-off for the Project was calculated by CSA Global Pty Ltd.¹

Forward Looking Statements

This announcement may contain certain forward looking statements and projections, including regarding estimated resources and reserves, production and operating costs profiles, capital requirements and 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.
2. Sample analyses were completed by XRF and ICP methodologies by industry specialist Nagrom. Nagrom's relationship with Tawana Resources NL and/or Alliance Mineral Assets Limited is only limited to provision of contractual metallurgical testwork and mineral analysis. Nagrom is AS/NZS ISO 9001 accredited (Registration 10000305).

Competent Persons Statement (Metallurgy)

The information in this announcement that relates to metallurgy and metallurgical test work has been reviewed by Mr Noel O'Brien, FAusIMM, MBA, B. Met Eng. Mr O'Brien is an employee of the Company. Mr O'Brien is a Fellow of the Australasian Institute of Mining and Metallurgy, and he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr O'Brien

consents to the inclusion in this announcement of the contained technical information in the form and context as it appears. Mr O'Brien is an option holder in Tawana. Mr O'Brien and Tawana do not consider this to constitute a potential conflict of interest to his role as Competent Person.

29 March 2017

Sponsor PricewaterhouseCoopers Corporate Finance (Pty) Ltd