

ASX RELEASE

24th September 2014

ASX: TAW

CORPORATE DIRECTORY

Exec. Chair Wayne Richards
Managing Director Len Kolff
Non-Exec. Dir Matthew Bowles
Joint Co.Sec Winton Willesee
/Aaron Finlay

**Mofe Creek Iron Ore Project -
Liberia, West Africa**

LIBERIA: Proven Iron Ore Country

LOCATION: Project located 20km from coast, adjacent to historic rail alignment, 85km to Port of Monrovia

LITHOLOGY: High grade +33% Fe friable itabirite resource of 61.9Mt with ability to produce a +64 to 68% Fe product

LOGISTICS: Road transport (and/or Rail optionality) Barging, Transshipment, Direct ship loading

LEADERSHIP: Proven Executive Team with 'In-Country' Iron Ore expertise

Rakana JV (6.7%), South Africa
Meletse Iron Ore and Avontuur Manganese JV managed by Baosteel Iron and Steel Group

On track in CY2014

- Scoping Study completion✓
- Maiden Resource Estimate announced✓
- Pre-Feasibility study commenced✓
- Mineral Development Application commenced ✓
- PFS Drilling Program and Resource Extension Upgrade commenced✓
- Environmental and Social Impact Assessment (ESIA) awarded ✓

CONTACT DETAILS

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Ministerial Approval to Commence Mineral Development Agreement Negotiations

Tawana Resources NL ("Tawana" or the "Company") is very pleased to announce that it has received formal acknowledgment and approval from the Ministry of Lands, Mines and Energy ("MLME"), to commence the Company's **Mineral Development Agreement ("MDA") for the Mofe Creek Project.**

The approval to proceed with formal negotiations associated with this agreement coincides with the successful completion of the Project's sustainable and robust Scoping Study in July this year. Detailed meetings with representatives of the Ministry, and members of the Inter-Ministerial Technical Committee, along with subsequent field visits in July, confirmed the commitment by both parties (the Government of Liberia and Tawana), to progress this essential and key agreement.

The MDA is a legally binding agreement, outlining the technical, commercial and social/environmental commitments to be undertaken to build, operate and sustain a project within Liberia, and is a legislative document passed as a bill in parliament, for a term of 25 years.

Mr Wayne Richards, Executive Chairman said "We are delighted to receive the acknowledgement and support of the MLME, for this crucial process, and we are excited to advance this agreement as a matter of urgency, to ensure the Company receives all approvals and agreements in an efficient and timely manner. The support from the Government of Liberia has been unwavering, and complements our collective desire to build the Mofe Creek Project - for the benefit of all stakeholders".

"To be granted the opportunity to negotiate this agreement at such an early stage of Project's development timeline, is testament to the quality of the Project's assets, the technical capability of the Tawana team, and the undivided commitment of the Government of Liberia."

The MDA negotiation process is scheduled to proceed for a period of six to nine months, and is optimally being coordinated to align with the completion of the Project's Pre-Feasibility Study.

Extensive work on the final design, construction and staging of the Project and the transitional logistics solutions associated therein, will be negotiated during the MDA process.

The next important step in the advancement of the agreement is the invoking of the Inter-Ministerial Concessional Committee, with support from the Inter-Ministerial Technical Committee.



Figure 1 | Tawana Resources Project Director Noel O'Brien presents to MLME delegates in Liberia, in July 2014

Tawana presented the results of its Scoping Study on the Mofe Creek project to the MLME in Monrovia in July 2014 (Figure 1). Tawana also hosted a corresponding MLME delegation at the Mofe Creek Project site (Figure 2). Both the presentation and the site visits were a necessary precursor to this latest development of receiving support to proceed with MDA negotiations from the Ministry.

Tawana will aim to accelerate the MDA process with the imminent selection of MDA legal representatives. The MDA legal team will represent the Company in the negotiation processes and assist the Company with the advancement of licenses, applications and leases for future logistics solutions, including a dedicated haul road and a coastal port facility.

A final technical report from the Inter-Ministerial Technical Committee is forecast to be issued to Tawana in October, which will complement the current approval to proceed with negotiations on the MDA, as granted by the Minister of Lands, Mines and Energy.



Figure 2 | Liberian MLME delegates study drill core samples during a recent Project site visit

About Tawana (ASX & JSE: TAW)

Tawana Resources NL is an iron ore focused ASX and JSE-listed Company with its principal project in Liberia, West Africa. Tawana's 100 % owned Mofe Creek Project is a new discovery in the heart of Liberia's historic iron ore district, located 20km from the coast and 80km from the country's capital city and major port, Monrovia.

Tawana is committed to becoming a mid-tier iron ore producer through the development of the Mofe Creek Project, which covers 471km² of highly prospective tenements in Grand Cape Mount County. The Project hosts high-grade friable itabirite mineralisation which can be easily upgraded to a premium quality iron ore product of +64- 68 % Fe grade, via simple, low capital intensity beneficiation.

The Company recently concluded its successful and financially robust Scoping Study on the Project. The Scoping Study considered an early start-up, low capital cost, high profit margin project with a nominal production rate of up to 2.5 million tonnes per annum (Mtpa).

For further information please contact:

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Executive Chairman

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Detailed information on all aspects of Tawana's projects can be found on the Company's website www.tawana.com.au.

Cautionary Statement

Full details of the Scoping Study referred to in this announcement were initially released to the ASX in an announcement dated 3 July 2014, and should be read in conjunction with this announcement. All material assumptions underpinning the Scoping Study, production targets and forecast financial information derived from the production targets as well as any cautionary statements and disclosures as required under the ASX Listing Rules and 2012 JORC Code are set out in the announcement dated 3 July 2014 and continue to apply and have not materially changed.

The Scoping Study referred to in this announcement is preliminary in nature as its conclusions are drawn on inferred (74%) and indicated mineral resources (26%). The Scoping Study is based on lower-level technical and economic assessments, and are insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. There is also no certainty that the forecast financial information derived from the production targets will be realised.

Competent Persons Statement

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Len Kolff and Iain Macfarlane, who are members of the Australian Institute of Geoscientists. Len Kolff is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Iain Macfarlane is a full-time employee of Coffey Mining Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Len Kolff and Iain Macfarlane consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Forward Looking Statement

This announcement contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Tawana Resources NL operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Tawana Resources NL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Tawana Resources NL only as of the date of this presentation. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Tawana Resources NL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.

