

ASX RELEASE:
15 January 2015

ASX : TAW

CORPORATE DIRECTORY

Executive Chairman & CEO
Wayne Richards

Executive Director, CFO & Co. Sec.
Michael Naylor

Technical Director
Len Kolff

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: Private Haul Road,
Barging, Transhipment or 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

Key Milestones:

- 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

288 Churchill Avenue
Subiaco Perth WA 6008
Email: admin@tawana.com.au
Website: www.tawana.com.au
Phone: +61 8 9489 2600

Notice of General Meeting

Please find following a Notice of General Meeting and accompanying Proxy Form which was sent by mail to Tawana Resources NL (ASX:TAW) shareholders today.

For further information, contact:

Wayne Richards
Executive Chairman
Ph: +61 8 9489 2600

**Tawana Resources NL
ACN 085 166 721**

Notice of General Meeting

**General Meeting of Shareholders to be held at 288
Churchill Avenue, Subiaco, Western Australia at
9:00am (WST) on 18 February 2015.**

Important

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

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Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Tawana Resources NL ACN 085 166 721 (**Company**) will be held at 288 Churchill Avenue, Subiaco, Western Australia commencing at 9:00am (WST) on 18 February 2015.

Business

1. Resolution 1 – Issue of Performance Options to Wayne Richards

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of section 208 of the Corporations Act and Listing Rule 10.11, and for all other purposes, approval be given for the issue of 10,000,000 Class D Performance Options, 10,000,000 Class E Performance Options and 10,000,000 Class F Performance Options to Wayne Richards or his nominee in accordance with his employment agreement with the Company, as set out in the Explanatory Statement.”

Voting exclusion

The Company will disregard any votes cast on Resolution 1 by Wayne Richards and any of his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board



Michael Naylor
Company Secretary
Tawana Resources NL

14 January 2015

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolution in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms used in the Notice and Explanatory Statement are defined in the Glossary.

1. Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

If a Shareholder intends to appoint the Chairman as its proxy on Resolution 1 the Shareholder can direct the Chairman how to vote by marking the box on the Resolution (for example, if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If a Shareholder does not direct the Chairman how to vote, the Shareholder can expressly authorise the Chairman to vote as the Chairman thinks fit on Resolution 1 by marking the appropriate box on the Proxy Form even though the Chairman may have an interest in the outcome of Resolution 1.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- (a) post to the Company's registered office at 288 Churchill Avenue, Subiaco, Western Australia 6008; or
- (b) email to the Company Secretary at michael.naylor@tawana.com.au

so that it is received by no later than 9:00am (WST) on 16 February 2015. Proxy Forms received later than this time will be invalid.

2. Voting entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 9.00am (WST) on 16 February 2015. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

3. Resolution 1 – Issue of Performance Options to Wayne Richards

3.1 Background

As announced on 11 December 2015, the Company made a number of Board and executive management changes which included Wayne Richards being appointed as the Chief Executive Officer ("CEO") in addition to his current role as Executive Chairman effective 1 January 2015.

In response to the Board and executive management changes and the current market conditions, the Company reviewed the remuneration structure of Mr Richards in consideration of his increased role and levels of responsibilities as CEO and Executive Chairman. Whilst this review was taking place, Mr Richards agreed to cancel his Class B and Class C Performance Options as approved by Shareholders at a General Meeting held on 12 December 2013.

The Company subsequently entered into a revised employment agreement with Mr Richards in relation to his additional role as CEO. Under the employment agreement, Mr Richards is entitled to a base salary of \$300,000 per annum (inclusive of superannuation) and directors fees of \$60,000 (inclusive of superannuation). In addition, the Company has agreed, subject to Shareholder approval, to issue the following securities to Mr Richards as part of his remuneration package:

Security	Number	Vesting	Expiry date	Exercise price
Class D Performance Options	10,000,000	Upon satisfaction of the performance criteria set out in Annexure A	30 August 2015	\$0.0001 each
Class E Performance Options	10,000,000	Upon satisfaction of the performance criteria set out in Annexure A	30 August 2016	\$0.0001 each
Class F Performance Options	10,000,000	Upon satisfaction of the performance criteria set out in Annexure A	30 August 2017	\$0.0001 each

The Company believes that these securities provide a means by which the Company can reward Mr Richards for signing on to his new position and also provide a cost effective performance-based incentive to Mr Richards in his new role. The Performance Options are structured in a manner to incentivise the longer-term tenure and retention of Mr Richards. The Directors consider it prudent to remunerate by way of securities so as to preserve the cash reserves of the Company.

The benefit from the Performance Options will only be received if the Company satisfies certain performance targets and Mr Richards pays the relevant exercise price.

The Company is seeking Shareholder approval to the issue of the Performance Options in accordance with section 208 of the Corporations Act and Listing Rule 10.11.

3.2 Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a “financial benefit” (including an issue of shares and options) to a “related party” of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting.

As a Director, Mr Richards is a related party of the Company within the meaning specified under section 228 of the Corporations Act. Further, the provision of the Performance Options constitutes a financial benefit within the meaning of section 229 of the Corporations Act. Accordingly, Shareholder approval is sought under section 208 of the Corporations Act to permit the issue of the Performance Options under Resolution 1 to Mr Richards as a related party of the Company.

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolution 1:

(a) **Related party to whom the financial benefits are to be given**

Wayne Richards (and/or his nominee).

(b) **Nature of the financial benefits**

The issue of 10,000,000 Class D Performance Options, 10,000,000 Class E Performance Options, 10,000,000 Class F Performance Options to Mr Richards. The Performance Options will be issued on the terms set out in Annexure A.

(c) **Valuation of the financial benefits**

The Company has engaged Stantons International to prepare independent valuations of the Performance Options.

Performance Options

The Black-Scholes option pricing model has been applied in providing valuation information in respect to the Performance Options to be issued to Mr Richards. Stantons International has determined that each Performance Option has an implied value of \$0.009013 for the Class D Performance Options, \$0.009073 for the Class E Performance Options and \$0.009176 for the Class F Performance Options. Accordingly, the aggregate implied value of the Performance Options to be issued to Mr Richards is \$272,620.

The following variables and assumptions were used in the valuation:

- (i) A Share price of \$0.010 (assumed closing price on the day of the General Meeting being the market price on ASX on 15 December 2014).
- (ii) A risk free interest rate of 2.31% (assumed on the day of the General Meeting).

- (iii) Respective expiry dates of 30 August 2015, 30 August 2016 and 30 August 2017.
- (iv) An exercise price of \$0.0001 each.
- (v) Volatility of 100%.
- (vi) No discount for non-transferability.
- (vii) The underlying Shares do not currently pay a dividend.
- (viii) In accordance with the relevant accounting standards no discount has been applied to reflect the requirements to meet the vesting conditions before the Performance Options vest.

(d) **Current remuneration and security interests**

Details of Mr Richards' current annualised pro-rata remuneration, as well as his security interests (both direct and indirect) in the Company as at the date of the Notice, are outlined below:

Director	Salary/fees	Security interests
Wayne Richards	\$360,000 per annum (including superannuation)	15,000,000 Fully Paid Ordinary Shares 25,000,000 Class A Incentive Options

(e) **Dilution**

Performance Options

If all of the Performance Options issued under Resolution 1 were converted into Shares, and no other Shares were issued by the Company, the shareholding of existing Shareholders would, based on the current issued capital of the Company, be diluted by approximately 2.03%.

(f) **Accounting**

The Company's adoption of Australian equivalents to International Financial Reporting Standards for reporting periods means that, under AASB2 Share-based Payment, equity-based compensation (such as the Performance Options under Resolution 1) will be recognised as an expense in respect of the services received.

(g) **Trading history**

As at the date of the Notice, the Company had 1,475,250,387 Shares on issue. The highest and lowest market sale price of the Shares in the Company during the twelve months immediately preceding the date of the Notice was \$0.037 on 23 January 2014 and \$0.007 on 31 December 2014. The closing market sale price of the Company's Shares on the ASX on 12 January 2015 was \$0.010.

As at the date of the Notice, the Company had the following unlisted Options on issue:

Grant date	Expiry date	Exercise price	Number
28 May and 27 June 2012	30 April 2015	\$0.036	26,500,000
10 Nov 2011	10 Nov 2015	\$0.05	1,250,000
18 Dec 2013	12 Dec 2016	\$0.015	30,000,000
18 Dec 2013	12 Dec 2016	\$0.046	10,000,000
18 Dec 2013	12 Dec 2016	\$0.018	10,000,000
12 Feb 2014	20 Jan 2017	\$0.039	1,000,000
			78,750,000

(h) **Terms of securities**

The terms of the Performance Options are set out in Annexure A.

(i) **Opportunity costs to the Company**

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Options.

(j) **Intended use of funds raised**

There will be no funds raised in connection with the issue of the Performance Options under Resolution 1 as they are to be issued as part of Mr Richards' remuneration package under his employment contract. The proceeds from a future exercise of the Performance Options are intended to be applied towards meeting the working capital requirements of the Company.

(k) **Directors' interests**

Mr Richards has a material personal interest in the outcome of Resolution 1 as the recipient of the Performance Option. No other Director has a material personal interest in the outcome of Resolution 1.

(l) **Directors' recommendations**

Mr Richards expresses no opinion and makes no recommendation in respect of the issue of the Performance Options to him as he has a material personal interest in the outcome of Resolution 1.

Each of the other Directors recommends that Shareholders vote in favour of the issue of the Performance Options to Mr Richards for the reasons set out in the Explanatory Statement and on the basis that, in their opinion, the proposed issue of Performance Options:

- (i) provides a long-term incentive to Mr Richards linked to the future success of the Company;
- (ii) is a fair and reasonable alternative to additional cash remuneration; and

- (iii) is necessary to reflect remuneration benefits payable to directors of other companies operating in the Company's industry and in an international business environment.

(m) **Other information**

Other than as set out in this Explanatory Statement, there is no further information that is known to the Company or any of the Directors which Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to pass Resolution 1.

3.3 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a "related party" without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX's opinion, such that approval should be obtained. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

As a Director, Mr Richards is a related party of the Company within the definition specified in Listing Rule 19.12. Accordingly, Shareholder approval is sought under Listing Rule 10.11 to permit the issue of the Performance Options under Resolution 1 to Mr Richards as a related party of the Company.

The issue of the Performance Options under Resolution 1 will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1, as those securities (once issued) will be excluded from the calculations under Listing Rule 7.1.

As required by Listing Rule 10.13, the following information is provided in relation to Resolutions 1:

(a) **Name of the person**

Wayne Richards (and/or his nominee).

(b) **Maximum number of securities to be issued**

10,000,000 Class D Performance Options, 10,000,000 Class E Performance Options, 10,000,000 Class F Performance Options.

(c) **Date by which the entity will issue the securities**

The Performance Options will be issued as soon as practicable after the General Meeting and, in any event, no later than 1 month after the General Meeting (or such later date to the extent permitted by any waiver of the Listing Rules).

(d) **Relationship that requires Shareholder approval**

Mr Richards is a related party of the Company by virtue of being a Director of the Company.

(e) **Issue price of the securities**

The Performance Options will be issued without payment of cash consideration as they are being issued as part of Mr Richards' remuneration package under his employment contract.

(f) **Terms of the issue**

The terms of the Performance Options are set out in Annexure A.

(g) **Intended use of the funds raised**

There will be no funds raised in connection with the issue of the Performance Options under Resolution 1 as they are to be issued as part of Mr Richards' remuneration package under his employment contract. The proceeds from a future exercise of the Performance Options, however, are intended to be applied towards meeting the working capital requirements of the Company.

Glossary

In this Notice and Explanatory Statement, the following terms have the following meanings:

Annexure	an annexure to the Explanatory Statement.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
Board	the board of Directors.
Chairman	the chair of the General Meeting.
Class D Performance Option	an Option on the terms set out in Annexure A.
Class E Performance Option	an Option on the terms set out in Annexure A.
Class F Performance Option	an Option on the terms set out in Annexure A.
Company Secretary	the company secretary of the Company.
Company	Tawana Resources NL ACN 085 166 721.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Explanatory Statement	the explanatory statement incorporated in the Notice.
General Meeting	the general meeting convened by the Notice.
Listing Rules	the ASX Listing Rules published and distributed by ASX.
Notice	the notice of general meeting incorporating the Explanatory Statement.
Performance Option	an Option on the terms set out in Annexure A.
Proxy Form	the proxy form attached to the Notice.
Option	an option to acquire a Share.
Resolution	a resolution contained in the Notice.
Section	a section contained in the Explanatory Statement.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of a Share.
WST	Western Standard Time, being the time in Perth, Western Australia.

Annexure A – Performance Options

- (a) **(Performance Options)** Each Performance Option is an option to acquire an ordinary share in the capital of Tawana Resources NL (**Company**).
- (b) **(Exercise Price)** The exercise price of each Performance Option is \$0.0001 however the Performance Options are not exercisable until they have vested.
- (c) **(Number of Performance Options)** Each tranche of Performance Options will be representative of 10 million Options.
- (d) **(General meetings)** The Performance Options shall not confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to holders of fully paid ordinary shares in the capital of the Company (**Shareholders**). Holders have the right to attend general meetings of Shareholders.
- (e) **(No voting rights)** The Performance Options do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders.
- (f) **(No dividend rights)** The Performance Options do not entitle the Holder to any dividends.
- (g) **(Rights on winding up)** The Performance Options will not participate in the surplus profits or assets of the Company upon winding up of the Company.
- (h) **(Not transferable)** The Performance Options are not transferable.
- (i) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of reorganisation.
- (j) **(Application to ASX)** The Performance Options will not be quoted on ASX. However, upon conversion of the Performance Options into fully paid ordinary shares (**Shares**), the Company must within 10 Business Days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (k) **(Participation in entitlements and bonus issues)** Holders of Performance Options will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.
- (l) **(No other rights)** The Performance Options give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (m) **(Board Discretion)** The Board of Directors have the right to amend the criteria associated with Milestones, if the KPI's are no longer reflective of the strategic direction or intention of the Company, subject to the Company complying with the ASX Listing Rules (as appropriate). The Board of Directors cannot change the exercise price, exercise period, or number of underlying securities to be received upon exercise of the Performance Options.

(n) **(Vesting on achievement of milestones)**

Vesting of the following types of Performance Options is subject to the following milestones:

(i) **Class D Performance Options (10,000,000)**

The Class D Performance Options will vest upon achievement of the following milestones (the Class D Performance Options **Milestone**) on or before 30 August 2015:

- (A) Progression of the Pre-Feasibility Study (PFS) in accordance with the strategic direction of the Company, (acknowledging the current delay in progressing the PFS due to the Ebola outbreak, the declaration of a State of Emergency, and the Declaration of Force Majeure on August 12 2014.
- (B) Finalisation of the preferred Mofe Creek logistics business solution, for the PFS study including, but not limited to, ore trucking solutions, port storage and loading facilities, barging and transshipment requirements and marketing preferences.
- (C) Formulation and negotiation of the Mineral Development Agreement (MDA) and progression of the Environmental and Social Impact Assessment (ESIA) baseline process in preparation for compiling an Environmental Impact Assessment (EIA) document.
- (D) Finalisation of the processing plant design criteria, including flowsheet, Process Flow Diagrams and equipment design and selection, for a PFS level of Project execution.
- (E) Completion of a strategic business plan outlining the plant throughput capacity, Project ramp-up, LOM plans and duration, along with Project financials (NPV, IRR, DCF, CAPEX, OPEX etc).
- (F) Development of a financial model reflective of the preferred Project funding methodologies to be deployed for the PFS.
- (G) Target and secure strategic funding for the ongoing progression of the Project Studies for the Mofe Creek Project, in accordance with market conditions and sources of available capital for iron ore projects.
- (H) Structure the Board of Directors and Executive Team to progress the Mofe Creek Project – from a corporate compliance and Project delivery perspective.

(ii) **Class E Performance Options (10,000,000)**

The Class E Performance Options will vest upon achievement of the following milestones (the Class E Performance Options **Milestone**) on or before 30 August 2016:

- (A) Selection and management of relevant engineering firms and logistics groups to design and structure the appropriate contractual and operational agreements to support the development of a definitive feasibility study, subject to the MDA being granted and a completed PFS.
- (B) Completion of relevant metallurgical testwork programs and the finalisation of a start-up mine plan/schedule.
- (C) Submission of a Mining License Application for the initial Project start-up.
- (D) Conclusion of the MDA process, and the submission of applications for all relevant licences, approvals and leases required to transport the ore from the mine to the nominated port/coastal location – as determined under the MDA process.
- (E) Development of the contractual arrangements (commercial, financial, legal and operational) for the transshipment (or equivalent) of ore via the preferred coastal port site location.
- (F) Environmental Protection Authority approval of the Company's EIA Plan
- (G) Secure adequate funding to progress the Feasibility Study and the refinement of the financial model to support the Feasibility Study
- (H) Structure, recruit and manage the required Board, senior executive and principal project personnel.

(iii) **Class F Performance Options (10,000,000)**

The Class F Performance Options will vest upon achievement of the following milestones (the Class F Performance Options **Milestone**) on or before 30 August 2017:

- (A) Completion of resource drilling, mine planning and the submission of infrastructure and transport approvals and applications to support the structuring of the Project financing model.
- (B) Attainment of a Mining License for the optimal plant start-up location, capacity and Project development timeline.
- (C) Structuring and execution of a detailed marketing plan and/or specific off-take agreements – to assist with Project funding and bankability.
- (D) Selection and Letting of the required Contracts to ensure the completion of detailed design and early procurement of the Project's critical path items.

- (E) Determine and/or secure funding for the progression of long-lead items and Front End Engineering Design (FEED) requirements, and the on-going Project/Corporate related expenditure.
 - (F) Finalisation of the new Port Operating Approvals along with relevant transshipment applications and licences.
 - (G) Selection and progression of the preferred funding methodologies, to fund, construct and commission the Mofe Creek Project.
 - (H) Selection, recruit and manage the most effective Project and Commercial/Legal teams and form the relevant committees to ensure the Company's project execution capability.
- (o) **(Lapse)** If the relevant Milestone is not achieved by the required date or, subject to clause (r), if the Holder ceases to be engaged by the Company before the relevant Milestone is achieved, the relevant Performance Options will lapse.
- (p) **(Exercise procedure)** Subject to the Performance Options having vested, the Holder may exercise the Performance Options at any time on or before the expiry date (being the date that is one (1) day after the date that the relevant Milestone must be achieved) by providing to the Company an exercise notice with the relevant exercise monies. The Company will issue the Holder with a new holding statement for the Shares within 10 Business Days following exercise.
- (q) **(Ranking upon exercise)** The Shares into which the Performance Options may convert will rank pari passu in all respects with existing Shares.
- (r) **(Vesting on Change of Control)** All unvested Performance Options will immediately vest and be exercisable if any of the following change of control events occur prior to the required date for achievement of the relevant Milestone and prior to the cessation of the Holder's engagement with the Company:
- (i) a party acquires a relevant interest in more than 50% of the Shares in the Company under a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
 - (ii) a party acquires a relevant interest in more than 50% of the Company's ordinary Shares pursuant to a takeover bid; or
 - (iii) a person or a group of associated persons or party becomes entitled to or acquires sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board and such changes to the Board are implemented.

All Performance Options vesting under this clause will lapse unless they are exercised within 60 days of vestment.

Tawana Resources NL
ACN 085 166 721
Proxy Form

I/We

Of

being a member of Tawana Resources NL ACN 085 166 721 entitled to attend and vote at the General Meeting, hereby

Appoint

Name of Proxy

OR

☐

the Chairman of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chairman of the General Meeting, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the General Meeting to be held at 9.00am (WST) on Wednesday, 18 February 2015 at 288 Churchill Avenue, Subiaco, Western Australia, and at any adjournment thereof.

Voting on Business of the General Meeting

Please mark "X" in the box to indicate your voting directions to your proxy. The Chairman of the General Meeting intends to vote undirected proxies in FAVOUR of the resolution. In exceptional circumstances, the Chairman of the General Meeting may change his/her voting intention on the resolution, in which case an ASX announcement will be made.

For Against Abstain

Resolution 1 Issue of Performance Options to Wayne Richards

☐☐☐

Note: If you have appointed or are deemed to have appointed the Chairman as your proxy and you do not specify the way the proxy is to vote on any resolution, by your signature of this proxy form, you will expressly authorise the Chairman to exercise the proxy. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s):

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

Instructions for Proxy Form

1 Your name and address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

2 Appointment of a proxy

You are entitled to appoint no more than two proxies to attend and vote on a poll on your behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of your voting rights. If you appoint two proxies and the appointment does not specify this proportion, each proxy may exercise half of your votes.

If you wish to appoint the Chairman of the General Meeting as your proxy, please mark the box. If you leave this section blank or your named proxy does not attend the General Meeting, the Chairman will be your proxy. A proxy need not be a Shareholder.

3 Voting on Resolutions

You may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item your vote will be invalid on that item.

4 Signing instructions

You must sign this form as follows in the spaces provided:

- (a) **(Individual)** Where the holding is in one name, the holder must sign.
- (b) **(Joint holding)** Where the holding is in more than one name, all of the shareholders should sign.
- (c) **(Power of Attorney)** If you have not already lodged the Power of Attorney with the Company's share registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- (d) **(Companies)** Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

5 Return of a Proxy Form

To vote by proxy, please complete and sign the enclosed Proxy Form (and any Power of Attorney and/or second Proxy Form) and return by:

- (a) mail to the Company's registered office at 288 Churchill Avenue, Subiaco, Western Australia, 6008; or
- (b) email to the Company Secretary at michael.naylor@tawana.com.au

so that it is received by no later than 9.00am (WST) on Monday, 16 February 2015. **Proxy Forms received later than this time will be invalid.**