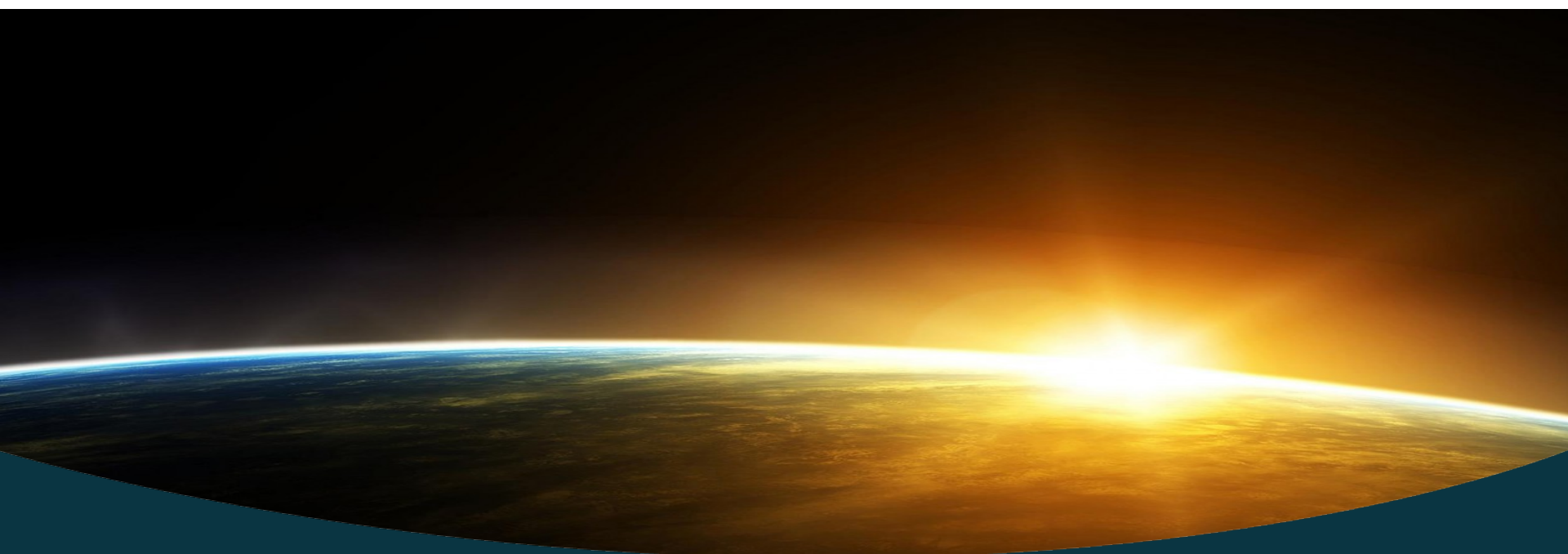


## **Advancing Towards Lithium Production**

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**Diggers & Dealers Investor Presentation  
& Bald Hill site visit - August 2017**





# Disclaimers

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## Capital Structure TAW

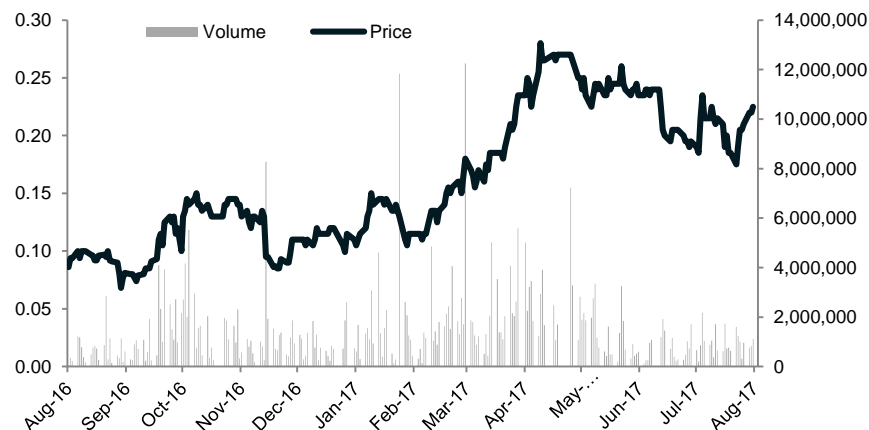
ASX/JSE Code	TAW
Issued Shares	442.1M
Options Issued (Exc \$0.035 - \$0.30)	32.4M
Cash (as at 30 June'17)	~A\$11.2M*
Market Capitalisation (\$A0.23c)	A\$101.7M

- \* Includes \$3.75m from offtake partner. A further \$4.375m was received on 17 July 2017 and \$4.375m is due on 15 September 2017.

## Supportive Shareholder Base

Major Shareholders (as at 02 Aug 2017)	%
Merriwee Pty Ltd	10.51%
Corporate & Resource Consultants	6.55%
Chalmsbury Nominees	6.30%
Australian Institutions	35.70%
<b>Directors</b>	<b>6.30%</b>
Top 20	64.73%

## 12 Month Share Price Performance



## Board & Management

### Rob Benussi *Non-Executive Chairman*

- Extensive experience in Finance, Corporate Advisory, Stockbroking and Business Development.

### Mark Calderwood *Managing Director*

- 30 years mineral exploration inc.+6yrs in pegmatite minerals
- Co-Author of "Pegmatites of Western Australia"
- CP Member AusIMM

### Michael Naylor *Executive Director, CFO & Co. Sec.*

- Chartered accountant
- 20 years in corporate advisory & company management

### Bob Vassie *Non-Executive Director*

- Mining Engineer with 30 years' international mining industry experience
- 18 years' experience in a range of senior management roles
- MD & CEO of St Barbara (SBM)

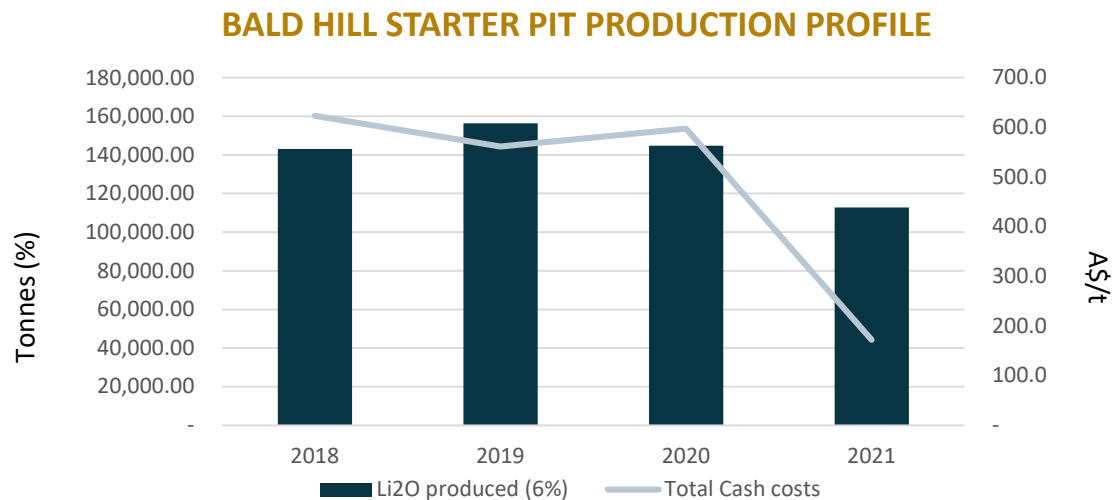
### Mark Turner *Non-Executive Director*

- Mining Engineer with 30 years of experience in the resources sector.
- Fellow AusIMM

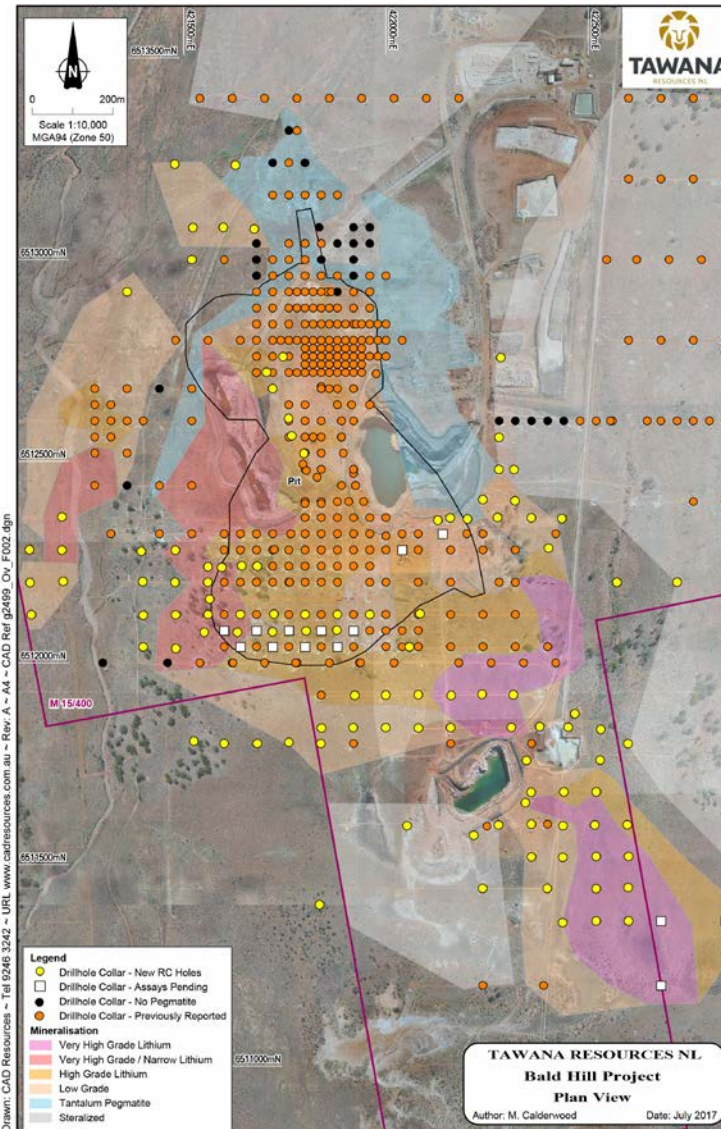
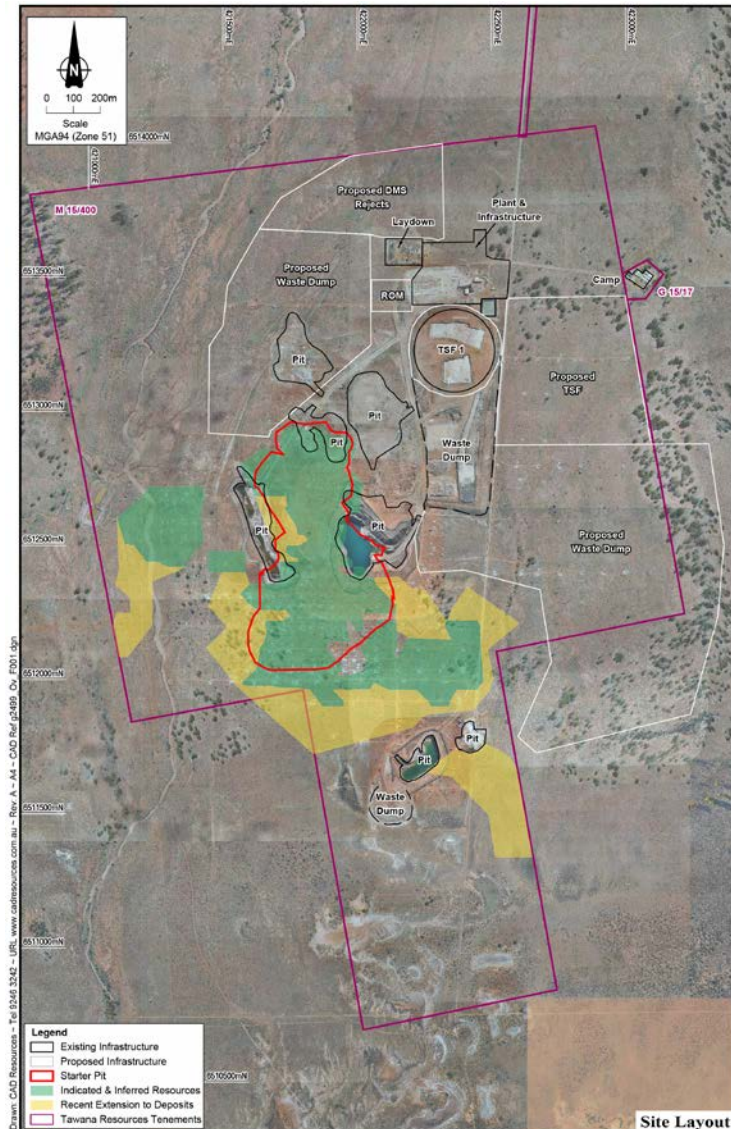


## Feasibility Study Key findings – “Starter Pit”<sup>1</sup>

- IRR of **185%** and rapid payback period of 12 months.
- EBITDA of \$83m per annum, operating cashflow of \$223m (after capital).
- Forecast annual production approximately **155,000tpa** of spodumene concentrate from the DMS and **260,000lbs** pa of tantalum pentoxide from the TPF.
- Lowest capital cost lithium project in Australia of \$42m (excluding pre-production operating costs).
- Starter pit life of 3.6 years with further growth for the Project expected from infill and extensional drilling.
- Approximately 86% of total lithium Indicated and Inferred Resources report to scoping pit optimization.
- Detailed design well advanced, long lead items ordered and key fabrication packages awarded under an early works contract.
- Production scheduled for the March quarter 2018.



# 10-Year Mine Life by end of 2018



- Infill drilling underway
- Step out drilling has been successful
- New high grade shallow pegmatites discovered
- Resource & Reserve upgrade in October 2017

Bald Hill Project Layout Plan

# Bald Hill Lithium Production Strategy



## Lowest Capex in Australia

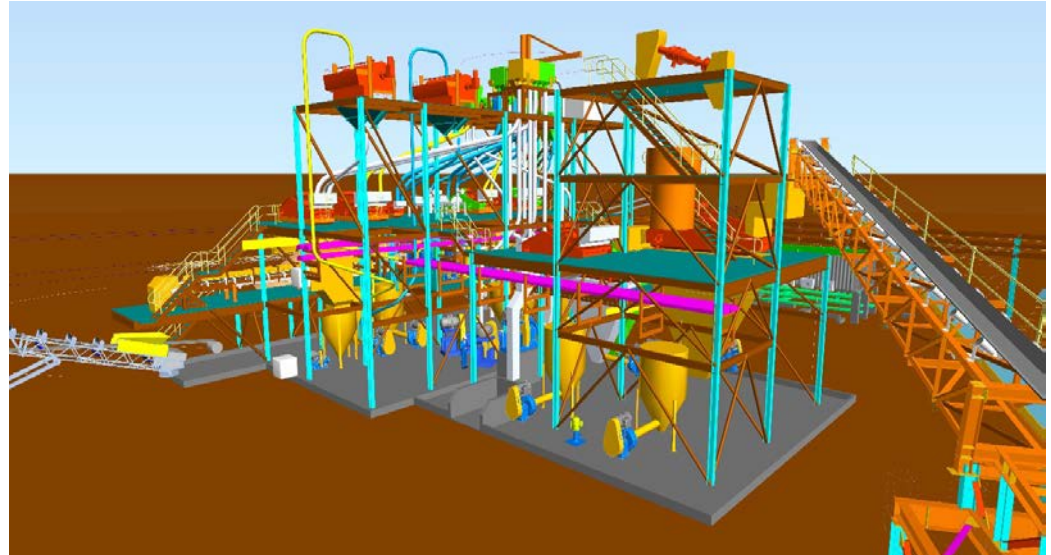
- Contract mining
- Contract crushing
- Retrofit 1,200ktpa spodumene DMS circuit
- Run separate tantalum plant at 350ktpa
- Limited additional infrastructure required
- Limited mining pre-strip required

## Exceptional Metallurgy

- Exceptional recoveries and product

## Offtake finalised

- US\$880/t for 2018 and 2019
- A\$25m pre-payment (TAW 50%)
  - No interest
  - Paid from 20% of lithium sales

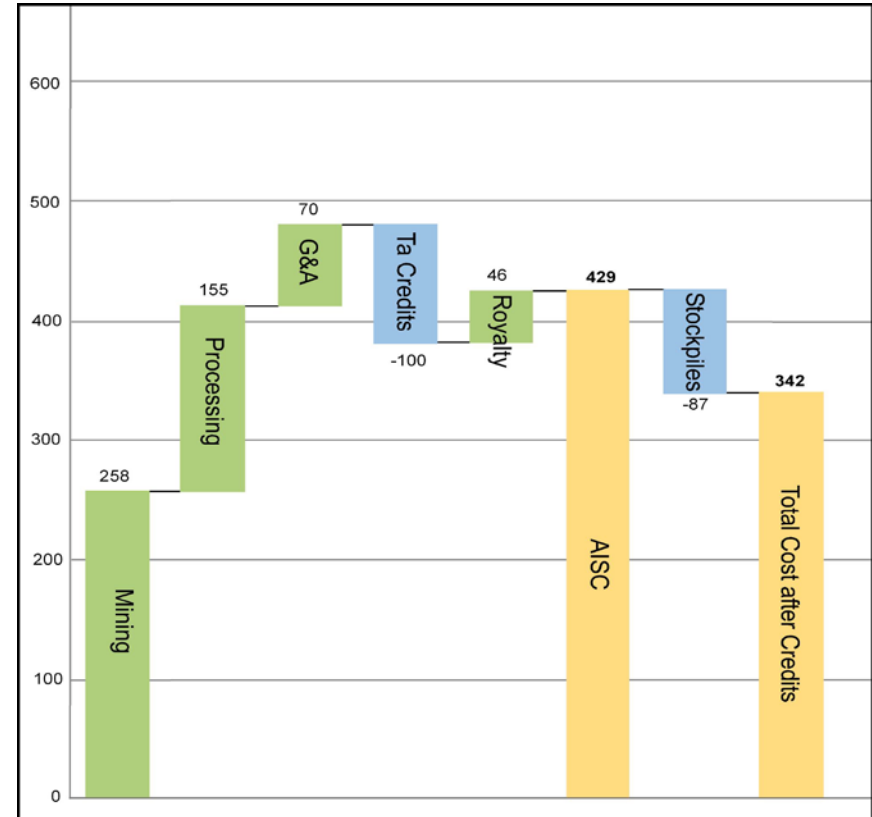


Top: DMS Plant Layout with the existing Tantalum Plant Bottom: Main DMS Processing Plant

# Project Upside



- Fines circuit to treat lithium fines and middlings could add significant amounts to export concentrate without additional mining or crushing, funded out of cash flow, quick payback.
  - 1.2mt of middlings & fines on stockpile (as per PFS)<sup>1</sup>
  - Potential to add 45,000tpa of concentrate
  - Fines concentrate cost estimated at US\$98/t on top of US\$87 carried by Phase 1 production
  - Could reduce combined AISC to below US\$380/t
- Increase tantalum plant throughput to treat increasing stockpiles of tantalum ore.
  - Could double tantalum production without increased mining rates.
- Subject to exploration success, add another DMS unit to increase throughput.
  - 40% of non-mining site costs are fixed and unlikely to change significantly with increased throughput.

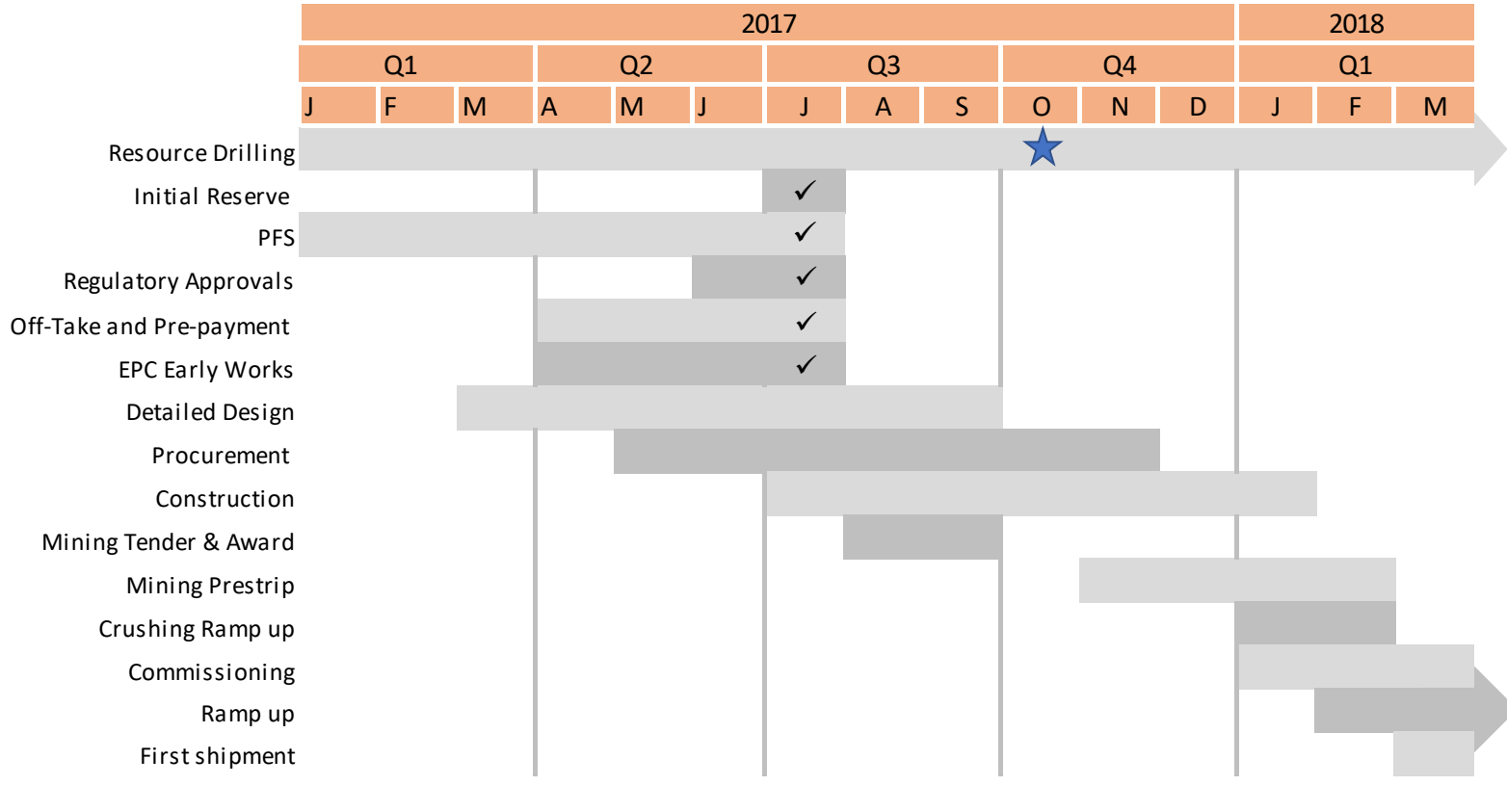


Operating Costs (\$USD) for Phase 1

# Bald Hill Milestones Q1 2017 to Q1 2018



## BALD HILL PROJECT DELIVERY SCHEDULE



Resource & Reserve upgrade





# Conclusion

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- Production of 155,000t p.a. from March 2018 (increasing with the addition of fines circuit)
- Top quality +1mm spodumene concentrate
- Significant tantalum by-product production
- Lowest Capex (of stand alone mines)
- High Project Internal Rate of Return and rapid payback (1 year)
- Significant Resource potential from successful step out drilling and new areas identified.
- Resource and Reserve update in October 2017

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## Contact Details

### Tawana Resources NL

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## Notes

1 All figures throughout this announcement regarding the Project and the PFS are, unless expressly stated otherwise, presented on a 100% of Project basis. Tawana, through its 100% owned subsidiary Lithco No. 2 Pty Ltd, has earned a right to 50% of all lithium minerals from the tenements comprising the Project – refer to announcements of 28 June 2017. Tawana is required to spend \$12.5 million in capital expenditure for upgrading and converting the existing plant on the Bald Hill tenements for processing ore derived from the Project, infrastructure costs, pre-stripping activities and other expenditures including operating costs by 31 December 2019. Upon completion of such capital expenditure commitment, Tawana (through Lithco No.2 Pty Ltd) will be entitled to a 50% interest in the Project comprising the Bald Hill tenements, the processing plant and infrastructure at Bald Hill, and all minerals from the Bald Hill tenements under the terms of the Bald Hill Joint Venture Agreement (which will only take effect upon satisfaction of the capital expenditure obligation). Refer to announcements of 24 February 2017.

All material assumptions underpinning the Production Targets detailed in this report (including all financial information derived from those production targets) are detailed in the ASX announcement dated 11 July 2017 and Tawana confirms those assumptions continue to apply and have not materially changed.

2: All material assumptions and technical parameters underpinning the Mineral Resource estimates in the ASX announcement dated 14 June 2017 continue to apply and have not materially changed since it was last reported.

3: All material assumptions and technical parameters underpinning the Mineral Reserve estimates in the ASX announcement dated 11 July 2017 continue to apply and have not materially changed since it was last reported.

**Competent Persons Statement** The information in this news release that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Mark Calderwood and Mr Gareth Reynolds, both employees of Tawana Resources NL (“Tawana”). Mr Calderwood is a member of The Australasian Institute of Mining and Metallurgy and Mr Reynolds is a member of the Australian Institute of Geoscientists. Mr Calderwood and Mr Reynolds have sufficient experience relevant to the style of mineralisation under consideration and to the activity which they are 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”. Mr Calderwood and Mr Reynolds consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

**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 TAW. 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. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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## Appendix A - Bald Hill Project – Resources<sup>2</sup>

Table 1 | Bald Hill Project, Resources above 0.5% Li<sub>2</sub>O cut-off

Resource Category	Tonnes (Mt)	Grade Li <sub>2</sub> O %	Contained Li <sub>2</sub> O Tonnes	Grade Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Ta <sub>2</sub> O <sub>5</sub> (,000) Lbs
Indicated	4.6	1.25	57,100	207	2,200
Inferred	8.2	1.14	94,300	130	2,500
<b>Total</b>	<b>12.8</b>	<b>1.18</b>	<b>151,400</b>	<b>158</b>	<b>4,700</b>

Table 2 | Bald Hill Project, Resources above 0.5% Li<sub>2</sub>O and 200ppm Ta<sub>2</sub>O<sub>5</sub> cut-offs

Resource Category	Tonnes (Mt)	Grade Li <sub>2</sub> O %	Contained Li <sub>2</sub> O Tonnes	Grade Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Ta <sub>2</sub> O <sub>5</sub> (,000) Lbs
Indicated	1.9	1.26	23,700	312	1,300
Inferred	1.4	1.10	15,000	291	900
<b>Total</b>	<b>3.2</b>	<b>1.19</b>	<b>38,700</b>	<b>303</b>	<b>2,100</b>

Table 3 | Bald Hill Project, Resources below 0.5% Li<sub>2</sub>O and above 200ppm Ta<sub>2</sub>O<sub>5</sub> cut-offs

Resource Category	Tonnes (Mt)	Grade Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Ta <sub>2</sub> O <sub>5</sub> (,000) Lbs
Indicated	2.8	325	2,000
Inferred	2.9	297	1,900
<b>Total</b>	<b>5.7</b>	<b>311</b>	<b>3,900</b>



## Appendix B - Bald Hill Project – Reserves<sup>3</sup>

Table 4 | Bald Hill Project, Reserves above 0.39% Li<sub>2</sub>O

Reserve Category	Tonnes (Mt)	Grade Li <sub>2</sub> O %	Contained Li <sub>2</sub> O Tonnes	Grade Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Ta <sub>2</sub> O <sub>5</sub> (,000) Lbs
Proven	-	-	-	-	-
Probable	4.3	1.18	50,800	208	2,000
Total	4.3	1.18	50,800	208	2,000

Table 5 | Bald Hill Project, Reserves below 0.39% Li<sub>2</sub>O and above 200ppm Ta<sub>2</sub>O<sub>5</sub> cut-offs

Reserve Category	Tonnes (Mt)	Grade Li <sub>2</sub> O %	Contained Li <sub>2</sub> O Tonnes	Grade Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Ta <sub>2</sub> O <sub>5</sub> (,000) Lbs
Proven	-	-	-	-	-
Probable	1.4	0.21	3,000	317	1,000
Total	1.4	0.21	3,000	317	1,000



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