

12 December 2017

VTEM SURVEY COMMENCED AT MT SYDNEY

- **Geotech Airborne will today commence an airborne EM survey over Tando's Mt Sydney project area, adjacent to Rumble's Braeside Project.**
- **Reprocessing of open file aeromagnetic data confirms Company's interpretation that key structures extend from the Braeside Project into the Mt Sydney Project.**
- **Compilation of historical geochemical surveys confirms no systematic exploration has been completed over these target structures.**
- **Reprocessing of geophysical data has also identified a number of targets for conglomerate-hosted gold mineralisation.**
- **Survey planned for completion in 2 – 3 weeks with results anticipated early in 2018.**

Tando Resources ("**Tando**" or "**the Company**") is pleased to provide an update on activities at its 100% owned Mt Sydney Project, in the Pilbara region of Western Australia.

An airborne electromagnetic ("EM") survey using the VTEMmax system will commence today, aimed at detecting near surface anomalies which would represent high priority targets for base metal mineralisation.

The Mt Sydney Project is located adjacent and along strike from Rumble Resources' (ASX.RTR, "**Rumble**") Braeside Project, which is centred on the historic Ragged Hills mining centre.

In September 2017 Rumble completed a VTEMmax survey at the Braeside Project which highlighted a multitude of conductors associated with the identified regional base metal trends (refer ASX.RTR Announcement 4 September 2017).

Rumble recently announced the completion of its maiden drilling programme at Braeside which intersected "wide zones of silica-sericite alteration with **quartz-sulphide veining with Zn, Pb and Cu mineralisation**" (refer ASX.RTR Announcement 27 November 2017).

Tando has completed a compilation of open file aeromagnetic and geochemical data over the Eastern Pilbara. The aeromagnetic data has confirmed the Company's previous interpretation that key structures which host mineralisation at the Braeside Project to be traced into the Mt Sydney Project (Figure 1, ASX Announcement 9 November 2017). However the geochemical data indicates systematic surface geochemical surveys have not been carried out across the Mt Sydney Project. A number of rockchip samples have been taken by historical explorers and these will be the first locations investigated when fieldwork commences (Figure 1).

The survey is expected to be completed in 2 – 3 weeks with data processing and validation meaning that results will be finalised during January 2018.

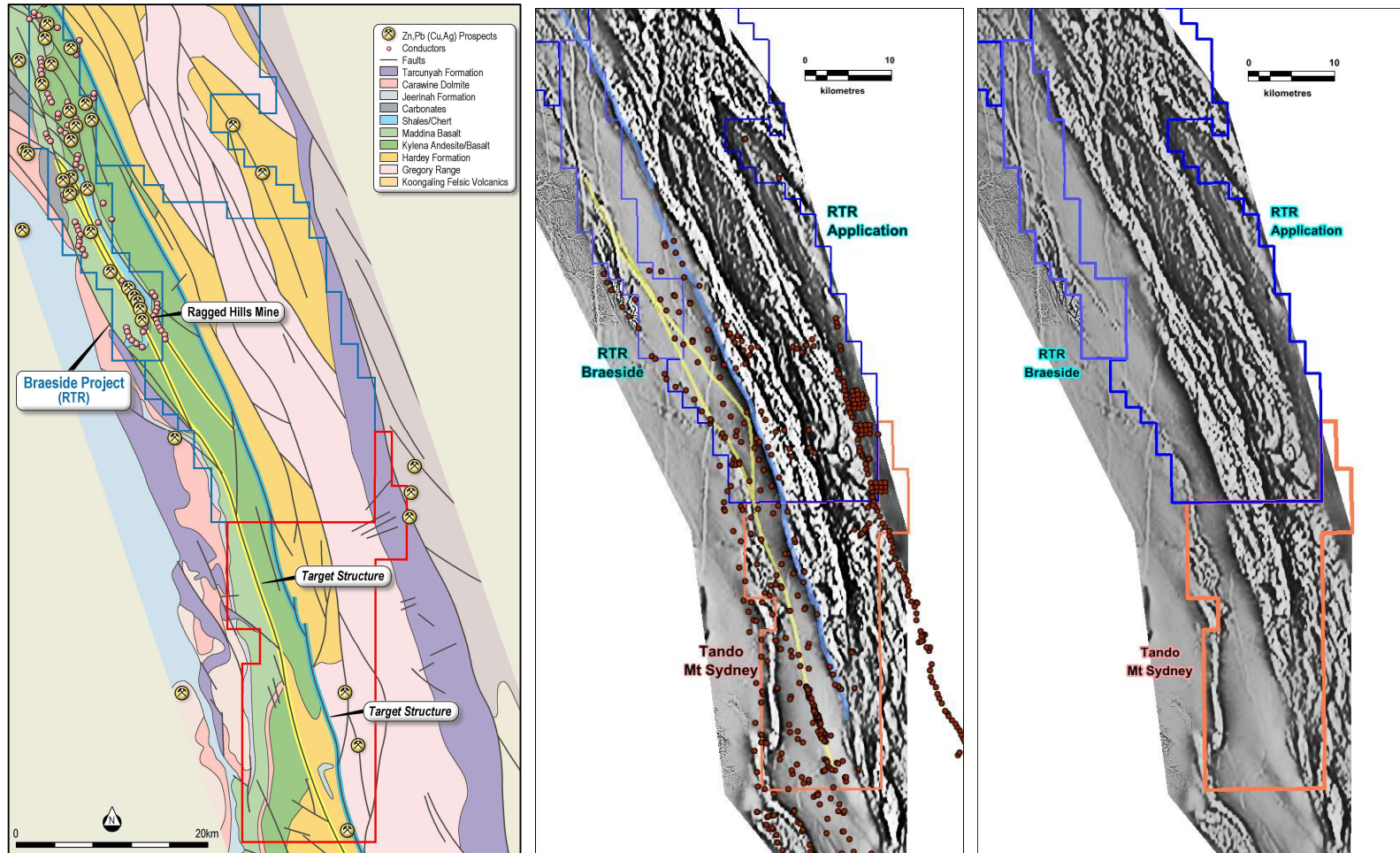


Figure 1. Central image shows historical rockchip sample locations over reprocessed aeromagnetic data (RTP, 1VD) with structural interpretation. LH image shows geological interpretation, RH image shows geophysical image with no interpretation.



In addition to the base metal targets within the project reprocessing of geophysical data has also identified a number of targets for conglomerate-hosted gold mineralisation. The Mt Sydney Project is underlain by a substantial strike length of the Hardey Formation, a sedimentary unit near the base of the Fortescue Group which contains a number of conglomerate beds, however much of this is covered by recent sand cover. The conglomerate units in the Pilbara are associated with radiometric anomalies due to the presence of uranium in these systems and other operators in the Pilbara such as Segue Resources and Elysium Metals have reported nugget gold discoveries associated with radiometric anomalies (ASX.SEG ASX Announcement 6 November 2017 and ASX.EYM ASX Announcement 22 November 2017). Reprocessing of radiometric data, including decorrugation to remove the effects of surficial dunes, has resulted in the identification of a number of anomalies which will be investigated in the field but likely require testing by drilling (Figure 2).

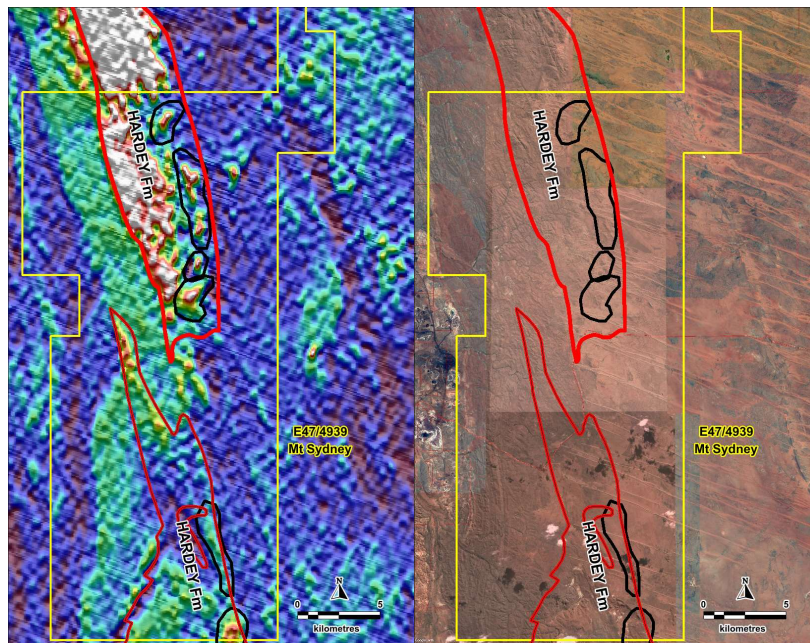


Figure 2. Image showing decorrugated uranium anomalies over Mt Sydney (LHS) and satellite image (RHS).

For and on behalf of the board:

Mauro Piccini

Company Secretary



Competent Persons Statement

The information in this announcement that relates to Exploration Results complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**) and has been compiled and assessed under the supervision of Mr Bill Oliver, the Managing Director of Tando Resources Ltd. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Oliver consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Exploration Results are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measures as detailed in Appendix 2.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Tando operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Tando's control.

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APPENDIX 1.

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the Mount Sydney Project.

Section 1: Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Rock chip sampling was carried out at geologists discretion by a number of companies.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Rockchip samples taken to test particular geological features therefore may not be representative of mineralisation at the particular project.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	All aspects of the determination of mineralisation are described in this table. All of the samples were sent to a commercial laboratory for crushing, pulverising and chemical analysis by industry standard practises.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	No drilling activities are being reported.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling activities are being reported.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No drilling activities are being reported.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No drilling activities are being reported.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	No drilling activities are being reported. Geological comments have been noted for the samples taken.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	These comments are qualitative in nature.
	<i>The total length and percentage of the relevant intersections logged.</i>	No drilling activities are being reported.
Sub-sampling	<i>If core, whether cut or sawn and whether quarter, half</i>	Not core drilling.



Criteria	JORC Code explanation	Commentary
techniques and sample preparation	<i>or all core taken.</i>	
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No drilling is being reported here.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sampling techniques are of consistent quality and appropriate.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	QA/QC protocols are in place and will be reported along with assay data.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	QA/QC protocols are in place and will be reported along with assay data.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The material and sample sizes are considered appropriate given the volcanic massive sulphide style of mineralisation being targeted.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No assay data is being reported.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Hand held assay devices have not been reported.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	No assay data is being reported.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No verification of sampling and assaying has been undertaken by Tando.
	<i>The use of twinned holes.</i>	No drilling is being reported here.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data has been compiled from public sources and compiled and validated from a third party.
	<i>Discuss any adjustment to assay data.</i>	No assay data being reported.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Location data has been recorded either by handheld GPS ($\pm 5m$ accuracy on easting and northing) .
	<i>Specification of the grid system used.</i>	The grid system used for the Mt Sydney Project is Map Grid of Australia GDA 94, Zone 51.
	<i>Quality and adequacy of topographic control.</i>	Adequate.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The spacing and location of the rockchip sampling is, by the nature of early exploration, variable..
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Data spacing is not sufficient to establish geological and grade continuity to establish a mineral resource estimate.



Criteria	JORC Code explanation	Commentary
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	No consistent orientation in the sampling.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No drilling reported and the relationship is not known.
Sample security	<i>The measures taken to ensure sample security.</i>	Sample security measures are believed to be appropriate.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No independent audits have been undertaken.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The Mt Sydney Project comprises a single granted Exploration Licence, namely E45/4939 covering a land area of 508 km ² . The tenement is within land where native title has been determined. The traditional owners of part of the land are the Martu and Ngurrara People. A second group, the Njamal People, have made an application for a determination that native title exists, which application currently remains active. Access to the tenement will require the negotiation of a Land Access Agreement.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The licence is currently pending and is held by Tando Resources Ltd. There are no known impediments to operate in the area.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Project has previously been explored for copper, zinc, gold and manganese by a number of companies.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Unknown deposit style, current assessment, data collection and subsequent exploration will aid in determining style.
Drill hole Information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> 	No drilling is being reported.



Criteria	JORC Code explanation	Commentary
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No assays are being reported.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No assays are being reported
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are being used.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	No assays are being reported.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures in body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	No assays are being reported.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant exploration data is shown on figures, in text and in previous announcements by the Company.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	A follow up exploration work program has been proposed and is outlined in the announcement. All relevant diagrams and inferences have been illustrated in this report.