



TAWANA

RESOURCES NL

ASX ANNOUNCEMENT
ASX:TAW

CORPORATE DIRECTORY

Non-Executive Chairman
Robert Benussi

Managing Director
Mark Calderwood

Non-Executive Directors
Robert Vassie
Mark Turner
Wei (Vicki) Xie

Chief Financial Officer
Craig Hasson

Joint Company Secretaries
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8 August 2018

Diggers and Dealers Presentation

Attached is a copy of the Tawana Resources NL (**Tawana**) presentation to be given by Managing Director, Mark Calderwood at the Diggers and Dealers Mining Forum in Kalgoorlie, Western Australia today.

Joanna Kiernan
Company Secretary



TAWANA
RESOURCES NL

Diggers and Dealers Conference Presentation – August 2018





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Corporate Overview

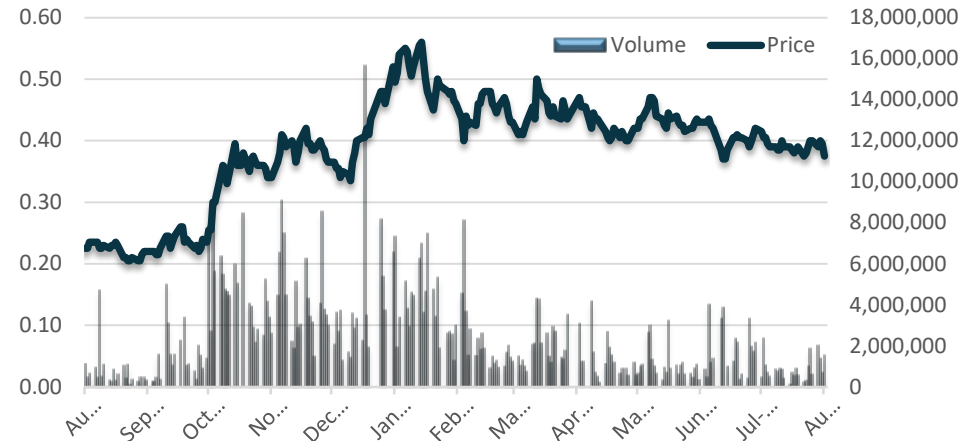
Capital Structure TAW

ASX/JSE Code	TAW
Issued Shares	578M
Options Issued (Exc \$0.06 - \$0.50)	18.7M
Cash (as at 30 June 2018)	A\$11.6M
Market Capitalisation (\$A0.40c) (as at 01 Aug '18)	A\$231M

Supportive Shareholder Base

Major Shareholders (as at 29 May 2018)	%
Weier Antriebe und Energietechnik GMBH	13.18%
Citicorp Nominees	9.87%
UBS Nominees	5.94%
Merriwee Pty Ltd	5.41%
CG Nominees (Australia) Pty Ltd	4.84%
HSBC Nominees	3.44%
Mr Mark Calderwood	2.16%
Institutional Holders	~18%
Top 20	62.7%

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 including 6+ years in pegmatite minerals
- Co-Author of "Pegmatites of Western Australia"
- CP Member AusIMM

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

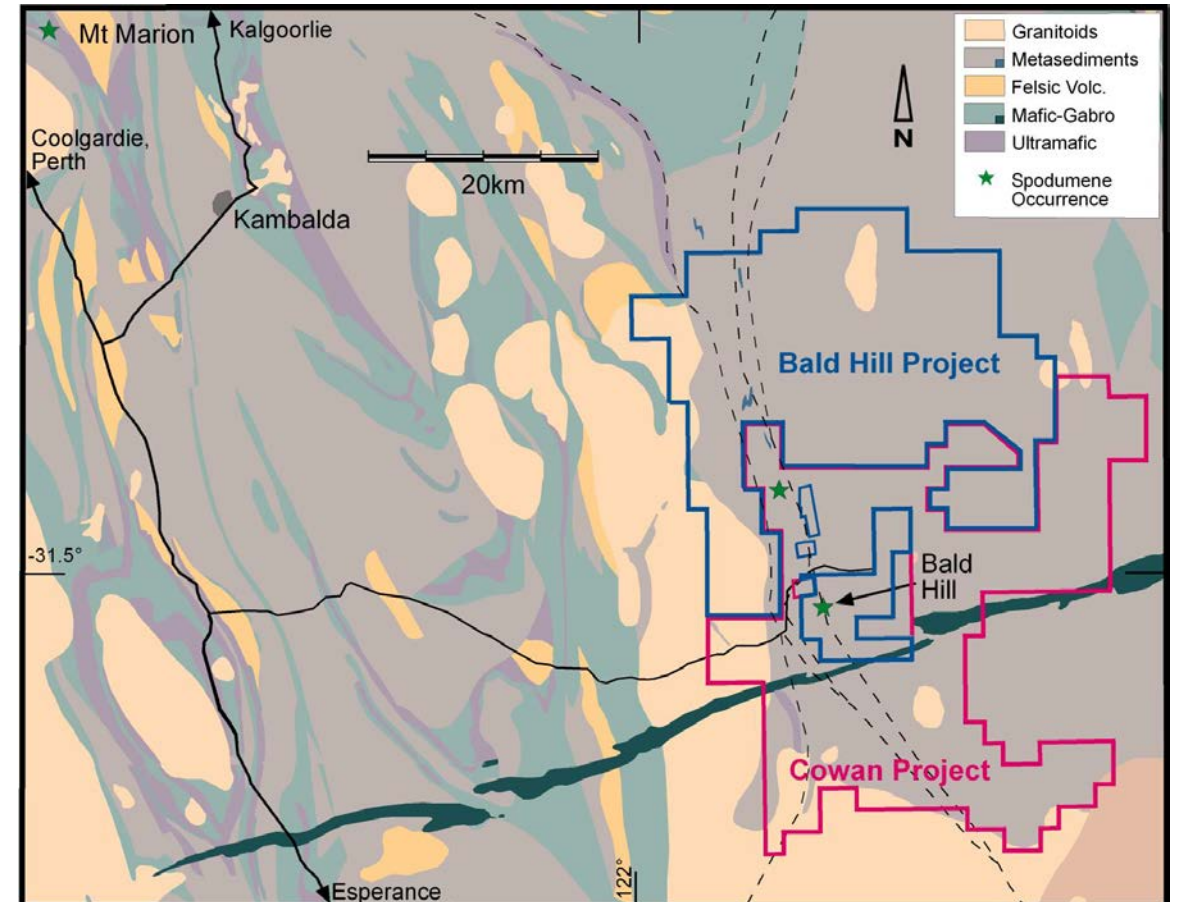
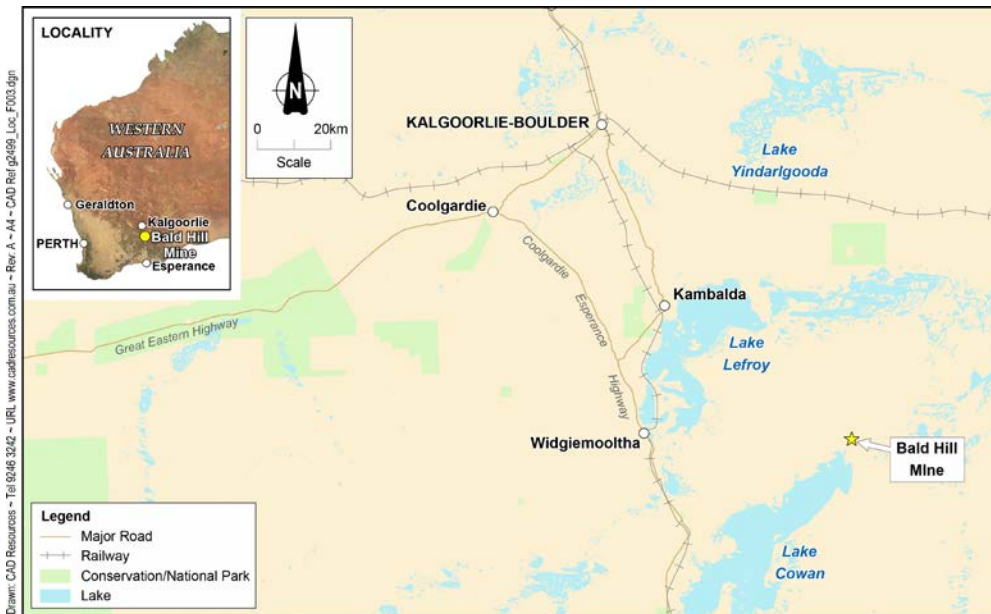
Vicki Xie *Non-Executive Director*

- 16+ years' experience in Accounting and Finance
- Experience in fund raising, acquisition and private equity investment



Bald Hill Mine

- Tawana owns 50% of the Bald Hill Lithium and Tantalum Mine in JV with Alliance Mineral Assets Limited (SGX: 40F).
- The Bald Hill Project is located south east of Kambalda in the Eastern Goldfields of Western Australia.
- The Bald Hill Project comprises 774km².
- Tawana owns 15% of Cowan Lithium Limited.





Bald Hill Mine - Recent Milestones and Corresponding Share Price movements

Tawana signs option over AMAL's Bald Hill Mine October 2016	\$0.14
First lithium drill holes reported November 2016	\$0.10
Due diligence completed Option exercised December 2016	\$0.12
Lithium offtake agreement signed April 2017	\$0.28
Maiden Resource June 2017	\$0.23
PFS & Maiden Reserve July 2017	\$0.23
DMS Plant construction commences August 2017	\$0.24
Commissioning of DMS commences March 2018	\$0.50
Merger of TAW and AMA announced April 2018	\$0.46
First Lithium Concentrate Shipment May 2018	\$0.43
Reserve upgrade June 2018	\$0.43
Demerger of Cowan & Yallari assets July 2018	\$0.38
Commercial Production July 2018	\$0.40



Australia's First New Spodumene Mine since 2016 (excl. DSO)



Bald Hill Mine Output - June Quarter and Outlook

June Quarter

- 240,504t (net 179,875t) of ore processed at 0.79% Li_2O
- Average throughput rate of 172tph
- 19,218wmt (~18,800dmt) of spodumene concentrate produced
- 59% (72%) recovery
- 26,480lbs. of Ta_2O_5 in concentrates
- Reserve upgrade to 11.3Mt @ 1.01% Li_2O and 160ppm Ta_2O_5 and 2.0Mt at 313ppm Ta_2O_5
- 11,655m of infill drilling completed on Inferred resources
- Significant exploration drill intercepts outside resource.

July 2018

- Average throughput rate increase to 206tph (20% above nameplate)
- Feed grade 0.91% Li_2O
- 65% (79%) recovery
- Outlook 60,000t to 75,000t of spodumene concentrate July '18 - Dec '18
- First high-grade tantalum parcels produced from pre-concentrates
- Studies to increase spodumene and tantalum production rates



About the Bald Hill Lithium & Tantalum Offtakes

Lithium Offtake

- Offtake with Burwill Lithium Company Ltd who are in JV with lithium industry specialist Jiangte Special Electric Motor Co. Ltd.
- Offtake agreement 100% (>5.5% Li₂O) of lithium concentrate production at US\$880/t (6% Li₂O) FOB for 2018 and 2019.
- Pricing for 2020 to 2022 to be negotiated based on market indicators.
- A\$12.5m pre-payment received by Tawana. A\$25M funding package (A\$20M equity/ A\$5M debt) finalised in October 2017 with German company Weier Antriebe und Energietechnik GmbH, a 100% owned subsidiary of Jiangte Special Electric Motor Co. Ltd.

Tantalum Offtake

- Bald Hill Tantalum offtake non-binding term sheet executed with HC Starck Group, a leading premium supplier of technology metals for 600,000Lbs over 30 months.
- Current market prices well above PFS expectation.
- First concentrate production up to 50% Ta₂O₅ Bald Hill tantalum renowned for very low U, Th, As, Sb.



Bald Hill Spodumene Concentrate



- High spodumene and lithium content
- Very low mica
- Low Fe content – white spodumene

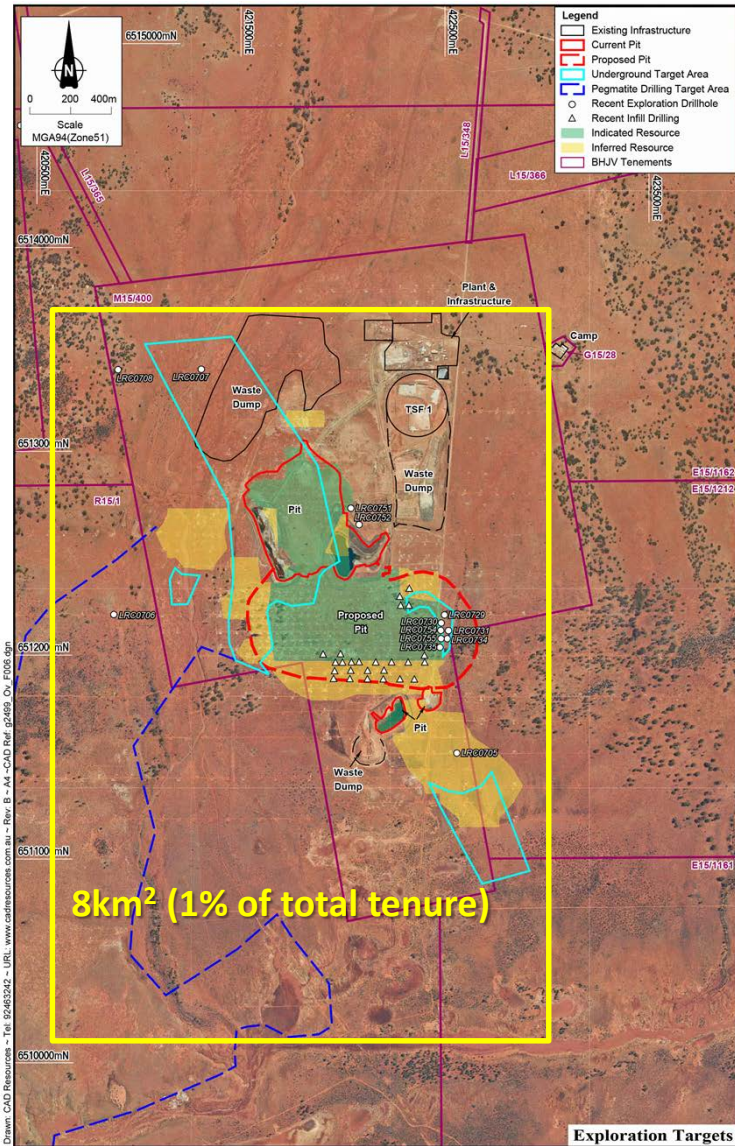
Bald Hill Spodumene Concentrate



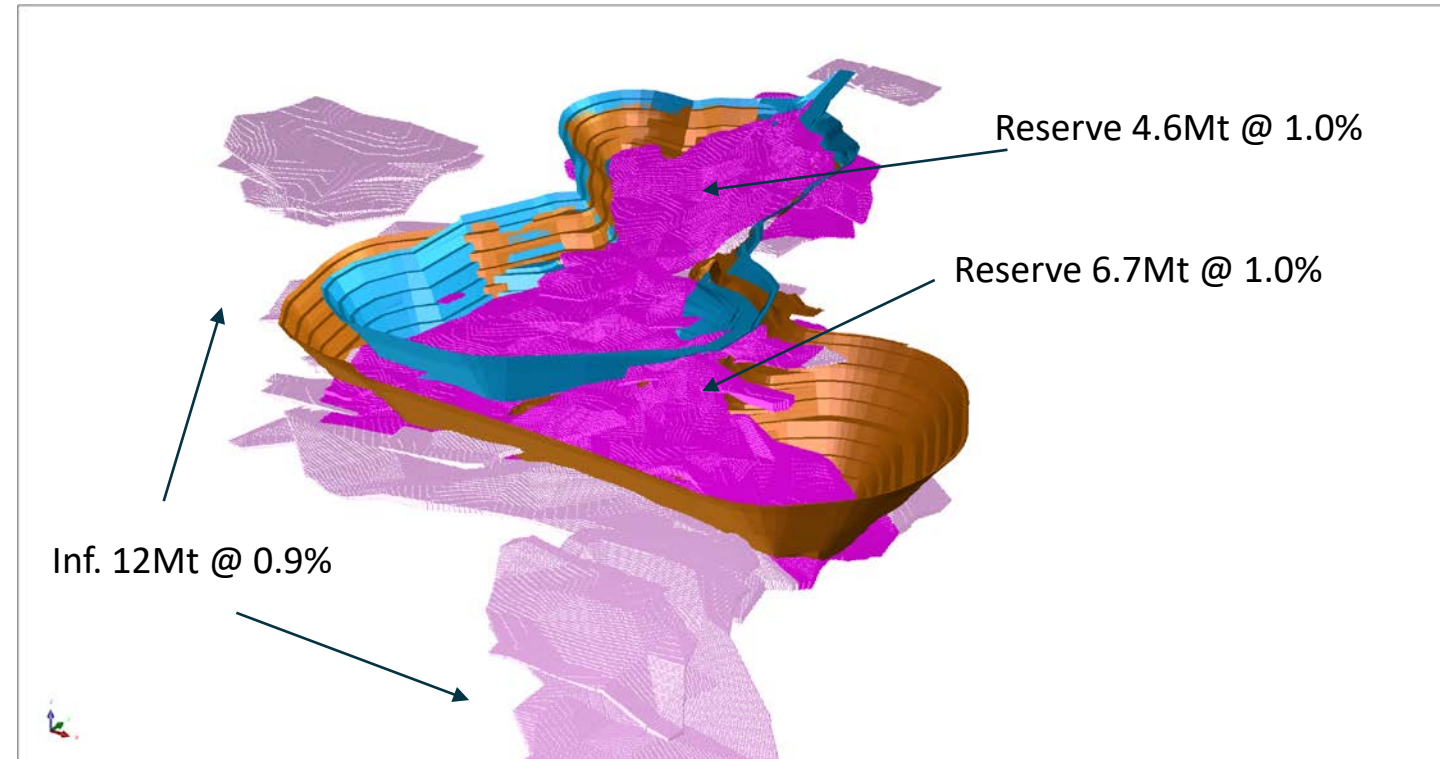
Jiangte Special Electric Motor Co. Ltd. facility (under construction) in Yichun, China



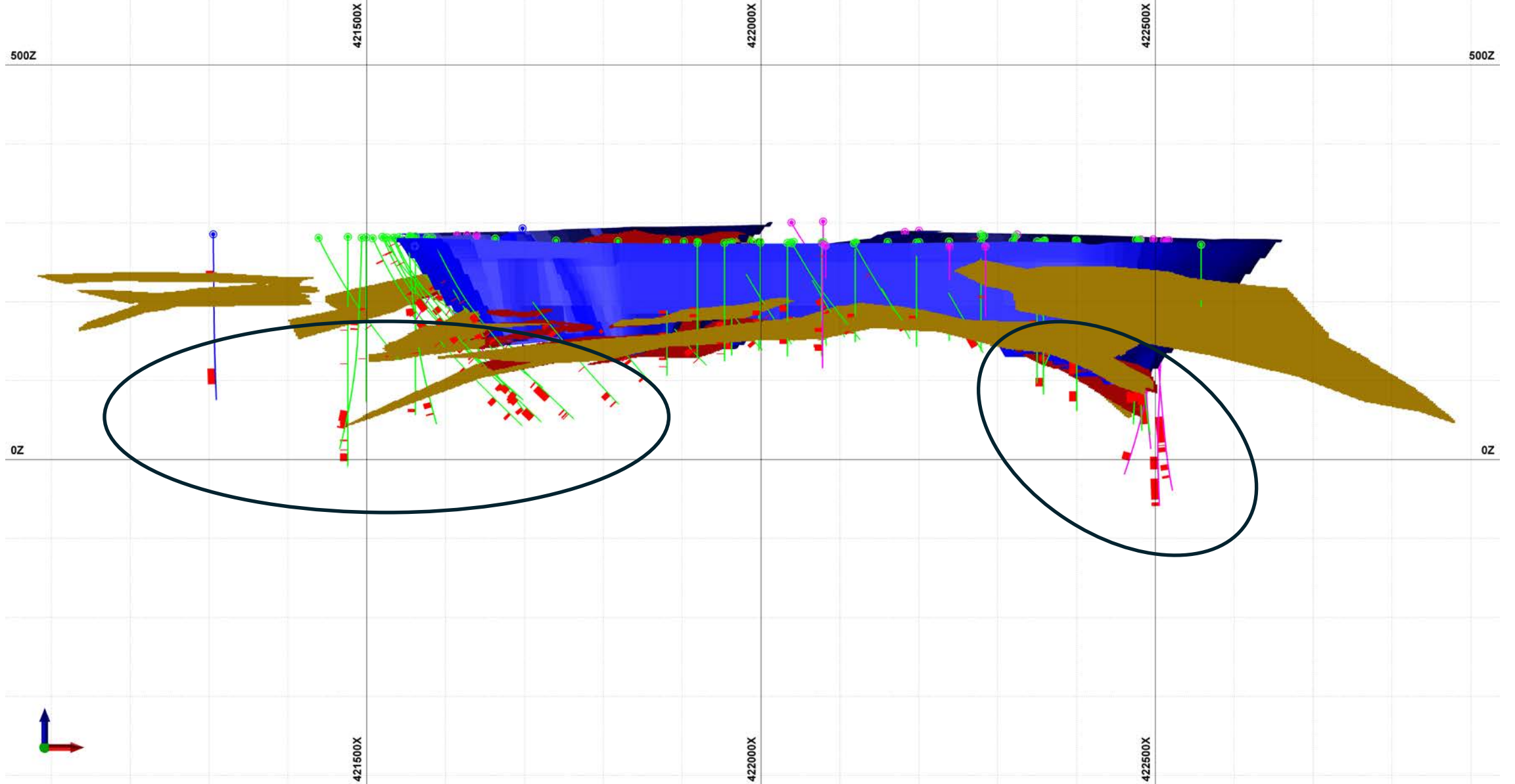
Bald Hill – Significant Exploration Upside Potential



- Resource open in all directions.
- Significant exploration upside potential with numerous drill-ready, spodumene occurrences.
- Limited exploration drilling in recent months has intersected significant mineralisation outside the current resource.



Section View





Bald Hill Project Production Upside Potential

- Fines circuit to treat otherwise stockpiled <1mm fines and 1mm-5.6mm middlings
 - Favourable metallurgy points to fines DMS, low capital and operating cost, lower risk
- Actively reviewing options for significant expansion in processing capacity and concentrate production:
 - Strong demand for spodumene concentrate
 - Additional DMS circuit would have a relatively modest capital cost
 - Likely to be similar to recently completed Stage 1 DMS, with design improvements
 - Rapid construction time expected: Stage 1 DMS only took 7 months to construct
 - Significant benefits to operating costs

Bald Hill boasts favourable metallurgy





Tawana/Alliance Merger Highlights

The Alliance and Tawana merger creates a pure-play mid-tier lithium producer

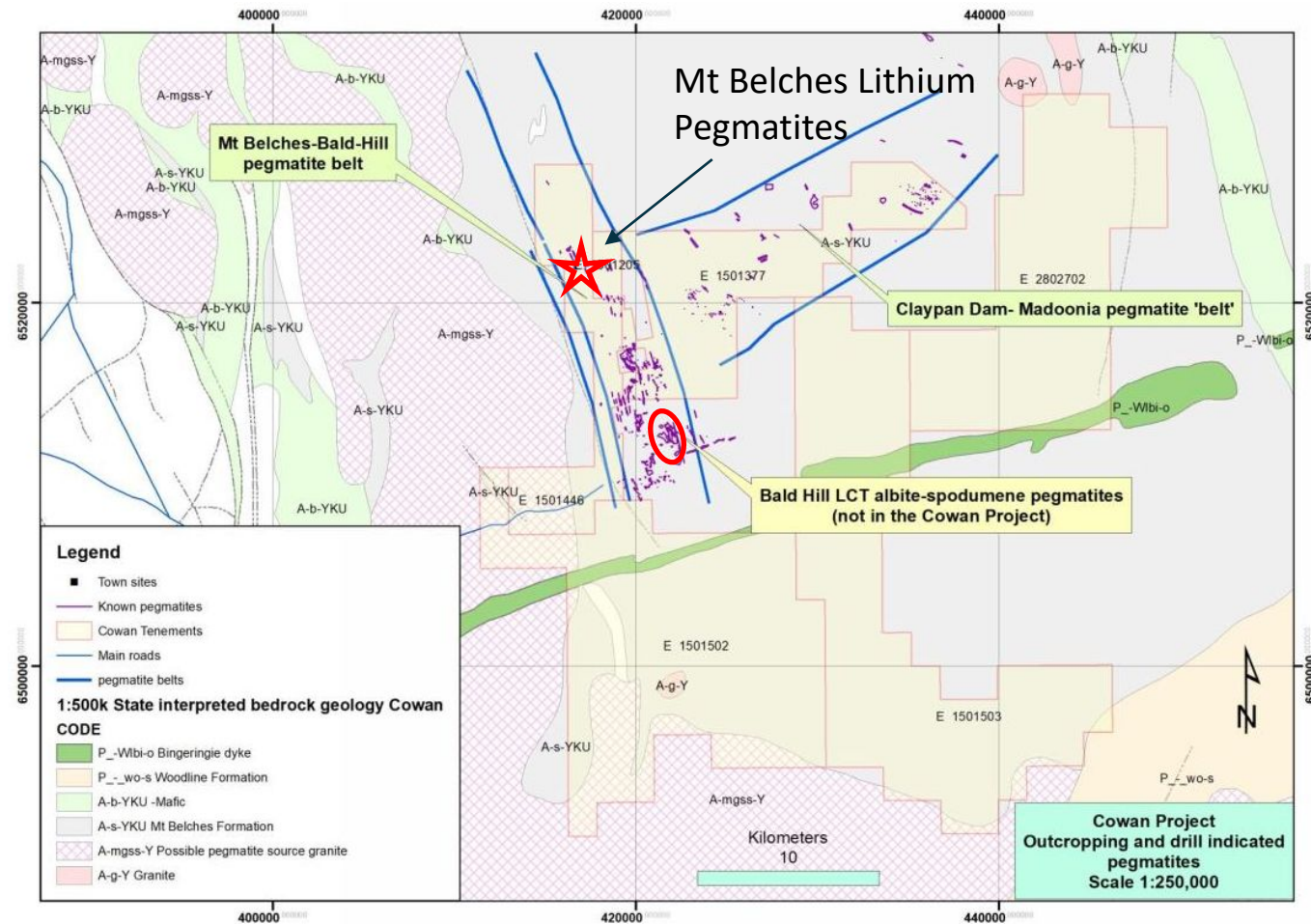
- Alliance and Tawana have entered into a Scheme Implementation Agreement for a merger of equals: Alliance to acquire 100% of Tawana shares.
- Merger is a natural step given the existing joint venture between Alliance and Tawana, and elevates the Merged Group's profile to a pure play mid-tier producer.
- Pro-forma market capitalisation of A\$446m^A places the Merged Group on the radar of many mid-cap institutional investors.
- Simplifies ownership structure and operational management of the Bald Hill asset, providing potential for efficiency benefits to the Merged Group.
- Merged Group will have enhanced financial capacity with a strong pro-forma balance sheet.
- Board of Merged Group and management team are highly experienced, with a proven ability to deliver on strategic goals and growth projects.
- Merged Group ideally positioned to become a sizeable producer of quality lithium concentrate.
- Merger on track to be implemented during calendar Q4 2018

A. Calculated by multiplying the number of Alliance Shares post Merger by the closing Alliance Share price as at close 4 April 2018. Exchange rate: 1 SGD to 0.99 AUD.

Cowan Lithium Limited Spin-out



- Spin-out completed in July 2018 for:
 - Cowan and Yallari lithium projects in WA
 - Mofe Creek iron ore project in Liberia (currently subject to sale)
- Cowan Lithium shares were distributed to eligible shareholders on 18 July 2018.
- Tawana retains 15% holding in Cowan Lithium.
- More attention to these projects on a standalone basis.
- Underlying value of the Projects can be unlocked over time.
- Tawana and Cowan Lithium to maintain strategic exploration and corporate relationship.





Conclusion

- Bald Hill Project now in commercial production.
- First shipment was completed early May 2018.
- PFS Production rate of 155,000t p.a. of concentrate from Stage 1.
- Top quality +1mm spodumene concentrate (low mica, low iron).
- Significant tantalum by-product production.
- Lowest Capex (of stand alone lithium mines) in Australia.
- Stage 2 – Fines and Stage 3 – second DMS plant under consideration.
- Significant Resource potential from successful step out drilling, and new areas identified.



Notes

All figures throughout this presentation regarding the Project are, unless expressly stated otherwise, presented on a 100% of Project basis. Tawana, through its 100% owned subsidiary Lithco No. 2 Pty Ltd owns 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. Refer to announcement of 24 October 2017.

1: All material assumptions and technical parameters underpinning the Mineral Resource and Mineral Reserve estimates in the ASX announcement dated 6 June 2018 continue to apply and have not materially changed since it was last reported.



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