

ASX ANNOUNCEMENT

14th April 2014



TAWANA
RESOURCES NL

CORPORATE DIRECTORY

Wayne Richards
Executive Chairman

Len Kolff
Managing Director

Matthew Bowles
Non-Executive Director

Winton Willesee /Aaron Finlay
Joint Company Secretaries

ASX CODE: TAW

COMPANY HIGHLIGHTS

- New Iron ore Discovery - Liberia, West Africa
- 61.9Mt at 33% Fe Maiden Resource Estimate
- Experienced Board and Management

Mofe Creek Iron Ore Project, Liberia

- High grade 33% Fe friable itabirite and potential for +60% Fe DSO
- 20km to coast, adjacent to rail alignment 65km to port
- 65 km prospective strike, only 8km strike drill tested
- Premier Iron Ore District; 25km along strike from +50 Mt historic Bomi Hills DSO mine

Rakana JV (6.7%), South Africa

- Meletse Iron Ore and Avontuur Manganese JV managed by Aquila Resources

CONTACT DETAILS

Suite 25, 145 Stirling Highway
Nedlands WA 6009

Email: admin@tawana.com.au

Website: www.tawana.com.au

Phone: +61 8 9389 3140

Facsimile: +61 8 9389 3199

Share Placement Completed

Tawana Resources NL (ASX: TAW) (the Company) is pleased to announce that it has successfully completed the placement of all new shares in the Company to institutions and professional investors, in accordance with the capital raising announced to the ASX on 8 April 2014.

A total of 200 million fully paid ordinary shares in the capital of the Company have been issued to investors at an issue price of \$0.025 per share to raise a total of \$5 million before costs (Placement), as per the attached Appendix 3B.

Funds raised will be used primarily to advance the Pre-Feasibility Study and associated engineering/design and resource upgrades for the Company's Mofe Creek Iron Ore project in Liberia, including both an early start-up operational option, and a larger long-term production project.

The Placement was strongly supported both new investors and long-term advocates of the Company and the Mofe Creek Project. The Project is now well funded to advance its activities and potentially create value uplift for its shareholders.

Disclosure under ASX Listing Rules 7.1A.4(b) and 3.10.5A

In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A the Company makes the following disclosures in respect of the Placement:

- (a) The Company issued a total of 200,000,000 fully paid ordinary shares of which 125,137,904 shares were issued under Listing Rule 7.1A and the remaining shares were issued under the Company's 15% placement capacity under Listing Rule 7.1.

The securities issued under Listing Rule 7.1A resulted in the following dilution to existing holders of ordinary securities:

- Number of fully paid ordinary shares on issue prior to this issue of securities under LR7.1A was 1,251,379,043.
- Number of fully paid ordinary shares on issue following this issue of securities under LR7.1A was 1,376,516,947 (1,451,379,043 including shares issued under LR7.1 under the same Placement).
- Percentage of voting dilution following this issue is 10% (16% including shares issued under LR7.1 under the same Placement).

- (b) The Company elected to make the Placement to take advantage of the significant interest received from sophisticated and institutional investors in response to the Company's recent investor roadshow. The Placement offered superior certainty and timeliness and provided an opportunity to introduce new sophisticated and institutional investors to Tawana's register. Cognisant of the interests of our supportive and long-term shareholders, the Company subsequently announced a Share Purchase Plan Offer which provides all eligible shareholders the opportunity to participate in a capital raising on the same terms and conditions offered to sophisticated and institutional investors under the Placement.



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- (c) No underwriting arrangements were entered into.
- (d) Canaccord Genuity (Australia) Limited, as lead manager to the Placement, will be paid a fee of 5% of the total funds raised under the Placement.

Secondary Trading Notice Pursuant To Section 708A(5)(E) of the Corporations Act 2001

The Company gives this notice pursuant to section 708A(5)(e) of the Act.

The Company advises that the Securities issued pursuant to the Placement without issued disclosure to investors under Part 6D.2 of the Act. The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) section 674 of the Act.

As at the date of this notice there is no information that is excluded information for the purposes of sections 708A(7) and (8) of the Act.

For further information please contact:

Wayne Richards
Executive Chairman
Phone: +61 8 9287 4344

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

Competent Persons Statement

The information in this report that relates to Exploration Results, 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 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.

Refer ASX Release Monday 31 March 2014 for full details.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

TAWANA RESOURCES NL

ABN

69 085 166 721

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 200,000,000 Fully Paid Ordinary Shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 200,000,000 Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>2.5 cents per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised will be used primarily to advance the Pre-Feasibility Study and associated engineering/design and resource upgrades for the Company's Mofe Creek Iron Ore project in Liberia, including both an early start-up operational option, and a larger long-term production project.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>31 May 2013</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>74,862,096</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	125,137,904				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil				
6f	Number of securities issued under an exception in rule 7.2	Nil				
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	<p>Yes. Shares were issued on 14 April 2014 at 2.50 cents each, representing a 7.90% discount to the 15 day VWAP of 2.71 cents per share.</p> <p>Source: Etrade Australia</p>				
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A - complete Annexure 1 and release to ASX Market Announcements	<p>106,844,760 remaining under LR7.1 0 remaining under LR7.1A</p>				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	14 April 2014				
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,451,379,043</td> <td style="text-align: center;">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	+Class	1,451,379,043	Ordinary Fully Paid Shares
Number	+Class					
1,451,379,043	Ordinary Fully Paid Shares					

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	5,000,000	Options (5c, 9 Sept 2014)
	1,250,000	Options (5c, 10 Nov 2015)
	28,500,000	Options (3.6c, 30 April 2015)
	10,000,000	Options (1.8c, 12 Dec 2016)
	10,000,000	Class A Performance Options
	10,000,000	Class B Performance Options
	10,000,000	Class C Performance Options
	30,750,000	Class A Incentive Options (1.5c, 12 Dec 2016)
	10,000,000	Class B Incentive Options (4.6c, 12 Dec 2016)
	1,000,000	Class C Incentive Options (3.9c, 20 Jan 2017)
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	

⁺ See chapter 19 for defined terms.

- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

+ See chapter 19 for defined terms.

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
(Company secretary)

Date: 14 April 2014

Print name: Winton Willesee

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital		
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated		
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue		926,629,043
Add the following:		
	13/08/2013	50,000,000
• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2	18/10/2013	244,000,000
	18/12/2013	5,000,000
• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval	6/03/2014	25,750,000
• Number of partly paid ordinary securities that became fully paid in that 12 month period		
<i>Note:</i>		
• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i>		
• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i>		
• <i>It may be useful to set out issues of securities on different dates as separate line items</i>		
Subtract the number of fully paid ordinary securities cancelled during that 12 month period		-
“A”		1,251,379,043

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”					
“B”	0.15 <i>[Note: this value cannot be changed]</i>				
Multiply “A” by 0.15	187,706,856				
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used					
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<table> <tr> <td>12/02/2014</td> <td>6,000,000</td> </tr> <tr> <td>14/04/2014</td> <td>74,862,096</td> </tr> </table>	12/02/2014	6,000,000	14/04/2014	74,862,096
12/02/2014	6,000,000				
14/04/2014	74,862,096				
“C”	80,862,096				
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1					
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	187,706,856				
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	80,862,096				
Total [“A” x 0.15] – “C”	106,844,760 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>				

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities				
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated				
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,251,379,043			
Step 2: Calculate 10% of “A”				
“D”	0.10 <i>Note: this value cannot be changed</i>			
Multiply “A” by 0.10	125,137,904			
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used				
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;"></td> <td style="width: 20%; text-align: center;">14/04/2014</td> <td style="width: 20%; text-align: right;">125,137,904</td> </tr> </table>		14/04/2014	125,137,904
	14/04/2014	125,137,904		
“E”	125,137,904			

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	125,137,904
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	125,137,904
Total [“A” x 0.10] – “E”	0 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.