

ASX RELEASE: 23<sup>rd</sup> Oct 2014

ASX: TAW

#### CORPORATE DIRECTORY

Exec. Chair Wayne Richards  
Managing Director Len Kolff  
Non-Exec. Dir Matthew Bowles  
Co. Sec Winton Willesee

#### 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:** Road transport (and/or Rail optionality) Barging, Transshipment, 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

#### Project 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

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## Excellent Infill Drilling Results Received

Tawana Resources NL (ASX: TAW) ('the Company' or 'Tawana') is very pleased to announce infill and extensional drilling results received over the Gofolo and Zaway Main deposits at its 100% owned Mofe Creek Iron Ore Project in Liberia, West Africa.

Selected significant intersections at a 20% Fe cut-off with a maximum of 2m internal dilution include:

• <b>GMDD013</b>	72.7m	@	39.6% Fe from surface
• <b>GMDD015</b>	29.3m	@	39.6% Fe from surface
• <b>GMDD012</b>	45.8m	@	34% Fe from 14.3m; and
	37.7m	@	32.4% Fe from 80.3m
• <b>ZDD006</b>	20m	@	38.7% Fe from 131.5m
• <b>ZDD009</b>	7.6m	@	45.4% Fe from 23m

"Results are extremely pleasing as they provide confidence in mineralisation continuity across the deposits as well as potential additional resource tonnes due to thicker mineralised widths intersected on expanded sections," Managing Director Len Kolff said.

"Drilling completed to date will have the potential for converting more of the material from the Inferred to Indicated category in certain areas; adding greater confidence in the Resource Model," he added.

"Greater widths intersected in certain holes will allow for potential additional resource tonnes, particularly at the Gofolo Main deposit," he concluded.

The Company is progressing with engineering designs and associated studies for the processing plant, road corridor and port facility. The ESIA baseline studies are being advanced along with the community consultation programs, as a deliverable for the Notice of Intent (*refer ASX release 26 August 2014*). The Company has engaged port, harbour and transshipment companies to provide design and cost inputs into the Pre-Feasibility Study ('PFS'), as well as potential contract mining groups.

The design and approval of the proposed pilot mining, ore and processing plant to test the ore lithologies, confirm mineability, and materials handling characteristics is being progressed. A Mineral Development Agreement is being correlated with relevant stakeholders to secure the necessary approvals, infrastructure corridors and port leases.

All assays have been received for 1,114.6m of drilling (including re-drills) of a 7,500m planned programme. The complete drilling programme was designed to increase the current resource from 61.9Mt (refer ASX Release 31 March 2014) to a targeted 100Mt to 120Mt for the Pre-Feasibility Study. Drilling was suspended in August 2014 due to the Ebola virus situation.

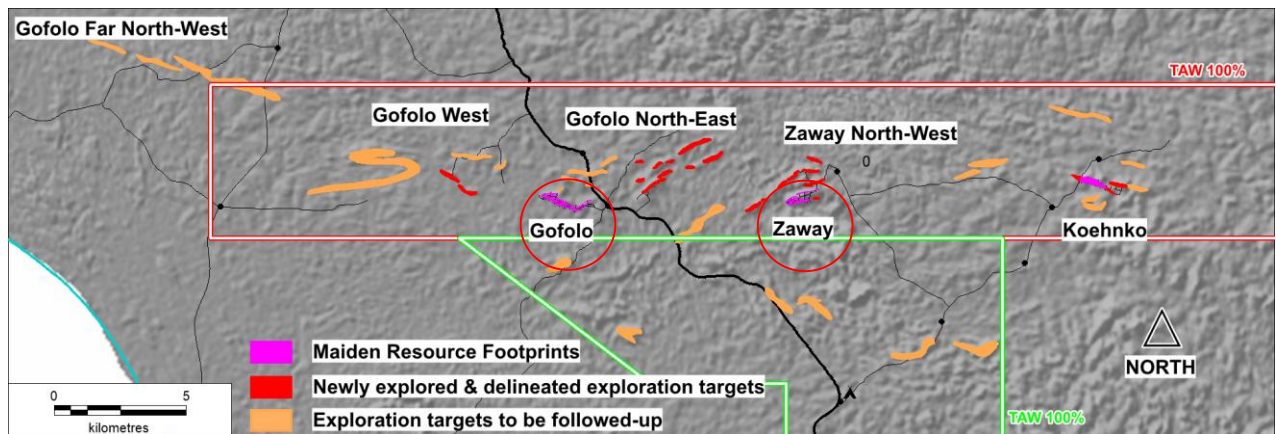


Figure 1 | PFS drilling areas circled.

Drilling was completed using two Atlas Copco CS1000 rigs in PQ and HQ diamond core.



Figure 2 - Diamond drill rig at the Zaway Main deposit.

Drilling results received confirm mineralisation continuity between drill sections and down dip; potentially converting mineralisation on relevant sections from Inferred to Indicated resources. On certain sections, drilling results have increased mineralised width when compared to the current resource model. This is significant as it may result in an increased resource estimate. All intersections reported at Gofolo Main are listed in Table 1 overleaf.



Prospect	Hole	From	To	Interval	Fe	SiO2	Al2O3	P	S	Mn	LOI 1000
Gofolo Main	GMDD012	0.00	3.20	3.20	36.39	27.74	9.93	0.054	0.044	0.05	9.64
Gofolo Main	GMDD012	14.30	60.10	45.80	34.00	28.80	9.72	0.046	0.070	0.36	9.18
Gofolo Main	GMDD012	80.34	118.00	37.66	32.36	47.66	1.60	0.073	0.040	0.15	BDL
Gofolo Main	GMDD013	0.00	72.67	72.67	39.62	27.94	5.41	0.077	0.027	0.10	8.73
Gofolo Main	GMDD014	0.00	4.00	4.00	32.17	28.05	12.65	0.020	0.088	0.38	12.03
Gofolo Main	GMDD014	29.00	40.00	11.00	31.22	34.79	6.13	0.015	0.063	0.90	11.82
Gofolo Main	GMDD014	56.00	59.10	3.10	27.79	49.62	2.50	0.042	0.369	0.72	BDL
Gofolo Main	GMDD014	93.50	137.90	44.40	31.76	46.02	1.07	0.068	0.018	0.24	BDL
Gofolo Main	GMDD014	143.90	171.90	28.00	33.23	44.85	0.92	0.045	0.026	0.24	BDL
Gofolo Main	GMDD015	0.00	29.30	29.30	39.58	32.92	5.67	0.020	0.041	0.01	4.60

Table 1 | Reported drill intersections at Gofolo Main at a 20% Fe cut-off and inclusive a maximum 2m of internal waste (BDL= Below Detection Limit).

Six additional holes were completed at Gofolo Main (including re-drills) prior to suspension of activities (see Figure 3). Drilling intersected friable and fresh iron formations (itabirite) which conform to the current resource model.

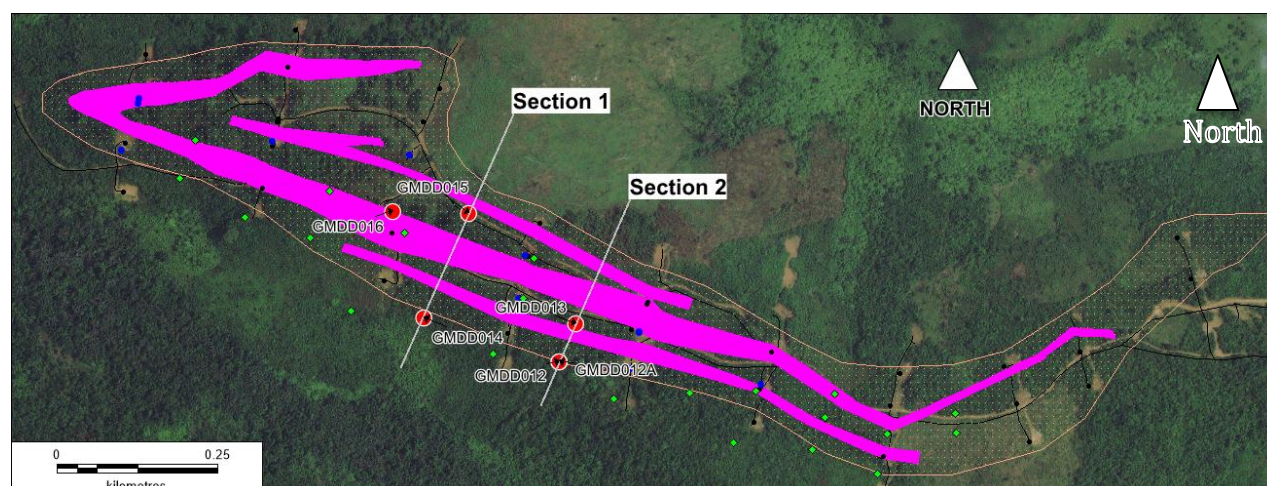


Figure 3 | Additional holes completed at Gofolo Main (labelled red dots), previous drilling (RC -black dots, diamond -blue dots) and planned holes (green dots) over satellite imagery and mineralised bodies highlighted.

A total of 5 additional holes (including re-drills) were completed at Zaway Main (see figure 6). All intersections at a 20% Fe cut-off and a maximum 2m of internal dilution are listed in Table 2 overleaf.



Prospect	Hole	From	To	Interval	Fe	SiO2	Al2O3	P	S	Mn	LOI 1000
Zaway	ZDD006	131.50	151.50	20.00	38.65	42.61	0.87	0.045	0.007	0.03	BDL
Zaway	ZDD007	95.30	104.40	9.10	38.39	42.79	0.84	0.059	0.010	0.04	BDL
Zaway	ZDD007	113.40	127.80	14.40	37.56	43.55	1.54	0.040	0.012	0.02	BDL
Zaway	ZDD007	130.50	138.50	8.00	38.49	42.88	0.99	0.050	0.013	0.03	BDL
Zaway	ZDD008	96.70	110.30	13.60	32.98	42.55	4.22	0.067	0.123	0.10	BDL
Zaway	ZDD009	23.00	30.60	7.60	45.42	30.51	1.97	0.016	0.014	0.05	2.43
Zaway	ZDD009	41.30	50.60	9.30	31.49	49.88	2.56	0.023	0.004	0.03	BDL

Table 2 | Reported drill intersections at Zaway Main at a 20% Fe cut-off and inclusive a maximum 2m of internal waste (BDL - Below Detection Limit).

Drilling intersected both friable and fresh iron formation (likely itabirite) interlayered with metasediments and quartzites. Drilling results have confirmed the current resource model, and on all sections drilled; extended mineralisation depth, resulting in the potential for a resource upgrade.

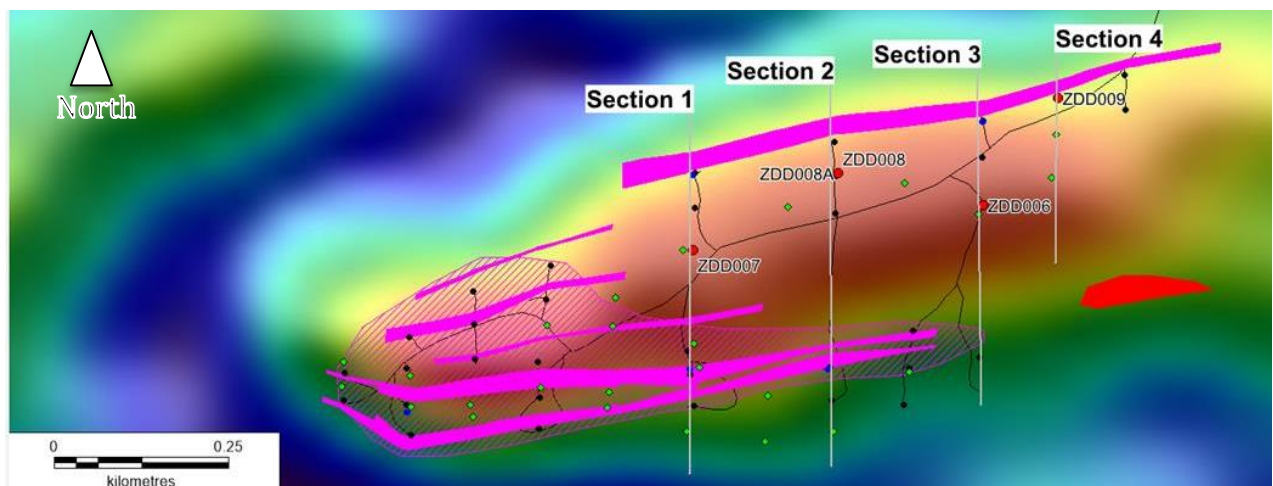


Figure 4 | Additional holes completed at Zaway Main (labelled red dots), previous drilling (RC -black dots, diamond -blue dots) and planned holes (green dots) over DTM and mineralised bodies highlighted.

### About Tawana (ASX & JSE: TAW)

Tawana Resources NL is an iron ore focused ASX and JSE-listed Company with its principal project in Liberia, West Africa. Tawana's 100%-owned Mofe Creek Project is a new discovery in the heart of Liberia's historic iron ore district, located 20km from the coast and 80km from the country's capital city and major port, Monrovia.

Tawana is committed to becoming a mid-tier iron ore producer through the development of the Mofe Creek Project, which covers 471km<sup>2</sup> of highly prospective tenements in Grand Cape Mount County. The Project hosts high-grade friable itabirite mineralisation, which can be easily upgraded to a premium quality iron ore product of +64-68% Fe grade, via simple, low capital intensity beneficiation.

The Company has recently concluded its successful and financially robust Scoping Study on the Mofe Creek Project. The Scoping Study considered an early start-up, low capital cost project with a production rate of up to 2.5 million tonnes per annum.



For further information please contact:

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Detailed information on all aspects of Tawana's projects can be found on the Company's website [www.tawana.com.au](http://www.tawana.com.au).

#### **Cautionary Statement**

Full details of the Scoping Study referred to in this announcement were initially released to the ASX in an announcement dated 3 July 2014, and should be read in conjunction with this announcement. All material assumptions underpinning the Scoping Study, production targets and forecast financial information derived from the production targets as well as any cautionary statements and disclosures as required under the ASX Listing Rules and 2012 JORC Code are set out in the announcement dated 3 July 2014 and continue to apply and have not materially changed.

The Scoping Study referred to in this announcement is preliminary in nature as its conclusions are drawn on inferred (74%) and indicated mineral resources (26%). The Scoping Study is based on lower-level technical and economic assessments, and are insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. There is also no certainty that the forecast financial information derived from the production targets will be realised.

#### **Competent Persons Statement**

The information in this report that relates to 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 Pty 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.

#### **Forward Looking Statement**

This announcement contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about the industry in which Tawana Resources NL operates, and beliefs and assumptions regarding the Company's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Company, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Tawana Resources NL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Tawana Resources NL only as of the date of this presentation. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Tawana Resources NL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.



## Appendix 1 - Hole Location Data

Prospect	HoleID	Hole_type	UtmE_29N	UtmN_29N	Elevation	Reg_grid_id	Plan_dip	Plan_Azim	Hole_depth (m)	Core Size
Gofolo Main	GMDD012A	DD	253286.0	761218.0	79.0	UTM_WGS84	-55	23	98.30	PQ3/HQ
Gofolo Main	GMDD012	DD	253286.0	761218.0	79.0	UTM_WGS84	-55	23	135.00	PQ3/HQ
Gofolo Main	GMDD013	DD	253312.0	761278.0	89.0	UTM_WGS84	-55	23	83.50	PQ3/HQ
Gofolo Main	GMDD014	DD	253074.9	761287.1	67.9	UTM_WGS84	-55	23	179.5	PQ3/HQ
Gofolo Main	GMDD015	DD	253145.0	761449.4	109.8	UTM_WGS84	-55	23	56.00	PQ3/HQ
Gofolo Main	GMDD016	DD	253027.0	761452.9	105.4	UTM_WGS84	-55	203	21.5	PQ3/HQ
Zaway Main	ZDD006	DD	262709.0	761639.1	115.3	UTM_WGS84	-50	0	163.1	PQ3/HQ
Zaway Main	ZDD007	DD	262295.0	761575.0	113.9	UTM_WGS84	-50	0	148.7	PQ3/HQ
Zaway Main	ZDD008A	DD	262501.9	761684.0	113.4	UTM_WGS85	-50	0	39.8m	PQ3/HQ
Zaway Main	ZDD008	DD	262501.9	761684.0	113.4	UTM_WGS85	-50	0	123.1	PQ3/HQ
Zaway Main	ZDD009	DD	262815.5	761790.6	107.0	UTM_WGS86	-50	0	66.1	PQ3/HQ



The following extract from the JORC Code 2012 Table 1 is provided for compliance with the Code requirements for the reporting of Exploration Results:  
(CP: LK - Len Kolff)

## REPORTING OF EXPLORATION RESULTS.

Criteria	JORC Code Explanation	Commentary	Competent Person
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>MEL12029 is located within the Grand Cape Mount and Bomi counties of Liberia and is 100% held by Tawana Liberia Inc, a wholly owned subsidiary of Tawana Resources NL.</li> <li>MEL 1223/14 is located within the Grand Cape Mount county of Liberia and is 100% held by Tawana Liberia Inc, a wholly owned subsidiary of Tawana Resources NL.</li> <li>There are no known impediments or material issues related to security of tenure at the time of reporting.</li> </ul>	LK
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The Mofe Creek project is a grassroots discovery with no previous mineral exploration or other work completed.</li> </ul>	LK
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Mofe Creek project is characterised by a series of itabirite hosted iron ore deposits of likely Archean or Palaeoproterozoic age as possible strike continuations of the historic Bomi Hills and Bong Range mines.</li> <li>Mineralisation is hosted within banded iron formations (BIFs) that have undergone regional metamorphism and recrystallization to itabirite and likely additional recrystallization to coarse grained, coarsely banded magnetite-hematite itabirite as seen today. A minimum of one and up to three major itabirite bands are recognised stratigraphically of both silicate and oxide iron formation facies and interbedded with metasediments (variably garnet overprinted), Fe rich mafics and quartzites. Collectively the iron units and interbedded metasediments can be considered a 'greenstone' belt that unconformably overlies granite/gneiss basement.</li> <li>The sequence has been folded and faulted through at least two major phases of deformation causing recrystallization, increase in average grain size and potential enrichment of the itabirite units.</li> <li>The sequence has then been subject to intense tropical weathering causing oxidation of magnetite to hematite, and variable hydration to goethite and limonite within the upper 30-60m thick weathering profile.</li> <li>Some minor faults are recognised in the Gofolo Main prospect but are not considered to have a major influence on the currently established resource; they will be incorporated into resource modelling when further infill drilling has become available.</li> </ul>	LK
<b>Drillhole</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of</li> </ul>	<ul style="list-style-type: none"> <li>All relevant information material to the understanding of exploration</li> </ul>	LK



Criteria	JORC Code Explanation	Commentary	Competent Person
<b>Information</b>	the exploration results including a tabulation of the following information for all Material drillholes: <ul style="list-style-type: none"> <li>□ easting and northing of the drillhole collar</li> <li>□ elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>□ dip and azimuth of the hole</li> <li>□ down hole length and interception depth</li> <li>□ hole length</li> </ul> <ul style="list-style-type: none"> <li>▪ 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.</li> </ul>	results has been included within the body of the announcement or as appendices. <ul style="list-style-type: none"> <li>▪ No information has been excluded.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</li> <li>▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Down hole weighted average iron, deleterious elements and LOI grades were calculated using a 20% Fe cut-off and a maximum 2m of internal dilution.</li> <li>▪ Given the style and nature of mineralisation reported, extreme effects due to volume variance (“nugget effect”) are considered low and not significant to the style of mineralisation being reported.</li> <li>▪ No metal equivalent grades have been reported.No metal equivalent grades have been reported.</li> </ul>	LK
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>▪ These relationships are particularly important in the reporting of Exploration Results.</li> <li>▪ If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> <li>▪ 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’).</li> </ul>	<ul style="list-style-type: none"> <li>▪ The majority of drilling intercepts are broadly perpendicular to strike and dip of structures and mineralised units; drilling results are near-true to true widths of mineralisation.</li> </ul>	LK
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>▪ 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 drillhole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All relevant plan maps and typical cross-sections have been included in the body of the announcement.</li> </ul>	LK
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>▪ 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.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Where exploration drilling results have been reported; all results are reported with no exclusions.</li> </ul>	LK
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>▪ Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk</li> </ul>	<ul style="list-style-type: none"> <li>▪ All relevant regional and prospect scale geological observations and geophysical survey results are included in relevant announcements accordingly.</li> </ul>	LK



Criteria	JORC Code Explanation	Commentary	Competent Person
	samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.		
Further work	<ul style="list-style-type: none"><li>▪ The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li><li>▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li></ul>	<ul style="list-style-type: none"><li>▪ Further work has been defined for resource strike extensions, resource infill drilling to increase levels of confidence and exploration drilling on additional target footprints.</li><li>▪ Approximately 6,500m of infill and strike extension planned drilling was not drilled due to the suspension of drilling and will be drilled at a later date.</li><li>▪ Additional diamond twinning and infill DD holes will be completed to increase confidence in geological interpretations and RC sample representivity to alleviate poor recovery within the weathered horizon.</li><li>▪ Routine addition of density measurements of all material types on site will be ongoing.</li></ul>	LK

