

28 November 2017

Bald Hill on track for lithium production in Q1 Calendar Year 2018

Tawana Resources NL (TAW:ASX) (**Tawana**) and Alliance Mineral Assets Limited (SGX:AMA) (**AMAL**) are pleased to provide an update on works at the Bald Hill Mine, in the Eastern Goldfields region of Western Australia, where lithium concentrate production is on track to commence in Q1 CY18. The Bald Hill project (**the Project**) is a joint project between Tawana and AMAL.

Highlights

- Engineering, procurement and construction (**EPC**) contract for Lithium Dense Media Separation (**DMS**) circuit progressing on schedule:
 - Design is 88% complete
 - Structural steel installation well-advanced
 - Bins and hoppers being installed
 - Screens and pumps on site
 - Majority of mechanical equipment delivered
 - Electrical installation commenced
- Preferred mining contractor selected and mobilised to site.
- Preferred crushing contractor selected and preparing to mobilise.
- Fuel and Power contracts awarded.

Tawana's Managing Director Mark Calderwood stated: *"Structural steel work is now well advanced and placement of mechanical equipment and electrical cabling has commenced. We have selected mining, crushing, power and fuel contractors, and the mining contractor has mobilised to site.*

"The project is coming to life, with significant increases in manning levels, and we remain committed and focused on delivering lithium concentrate from Bald Hill during the first quarter of 2018."

EPC Update

- Engineering design is 88% complete.
- Concrete works are 99% complete.
- Buried services (electrical/piping) progressing with conduits & pits being positioned/installed and HDPE piping installation commenced.
- Steelwork erection is well advanced with majority of hoppers, tanks and chutes installed.
- Procurement of major equipment is complete, with deliveries occurring progressively to support the sequence of construction.

Major Contracts

- Preferred Crushing contractor selected, with mobilisation expected in early December.
- Fuel and Power contracts awarded.
- Non-Processing Infrastructure engineering well-advanced and procurement commenced.

About the Bald Hill Project

The Bald Hill Project comprises four mining leases, one mining lease application, 12 exploration licences, eight prospecting licences and one general purpose lease totalling 774km². The project is owned 50:50 by Tawana and AMAL.

The first lithium concentrate production is targeted for the first quarter of 2018. The Project is fully funded to first shipment.

Each of Tawana and AMAL executed an offtake agreement in April 2017 (and subsequent variations thereto) for the supply of lithium concentrate from Bald Hill over a five-year term with pricing for 2018 and 2019 of US\$880/t (FOB Esperance) for 6% Li₂O. The prepayments from the aforesaid offtake agreement are being used towards the capital costs of the Project.

The Project is located 50km southeast of Kambalda in the Eastern Goldfields of Western Australia, and approximately 75km southeast of the Mt Marion Lithium project. Refer Figure 1.

A current Indicated and Inferred lithium Mineral Resource of 18.9 million tonnes at 1.18% Li₂O, and 149ppm Ta₂O₅ at a 0.5% Li₂O cut-off for the Project was calculated by CSA Global Pty Ltd.¹

The Project remains significantly underexplored and significant drilling is planned for 2018.

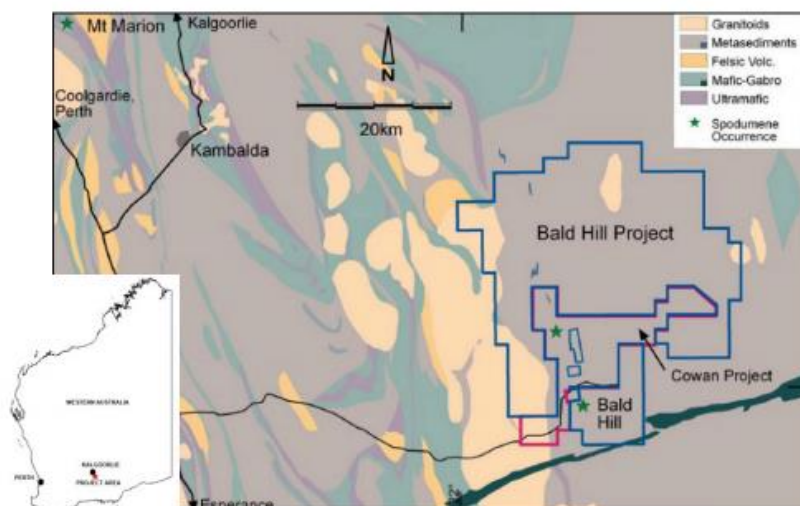


Figure 1 | Project Location map



Figure 2 | Structural steel – main DMS building

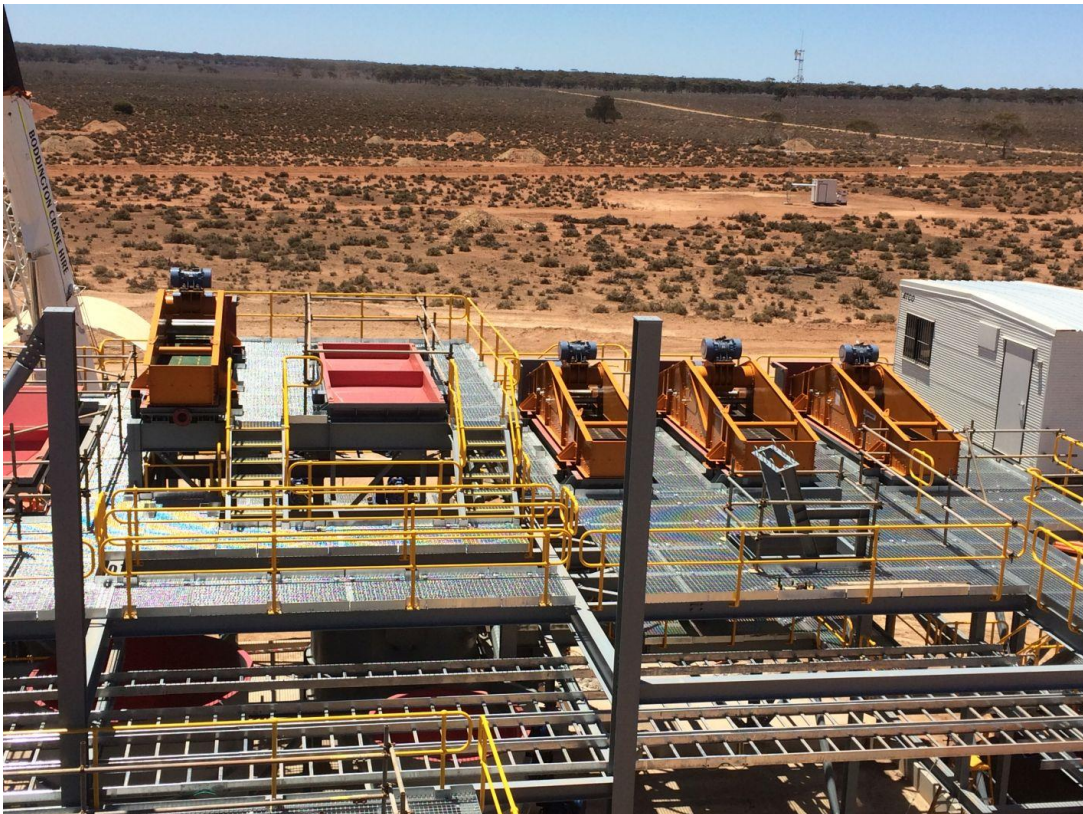


Figure 3 | Underflow hoppers and screen decks being installed



Figure 4 | Pumps being installed



Figure 5 | Thickener



Figure 6 | ROM Feed Bin and Transfer Station



Figure 7 | Electrical Cabling



Figure 8 | Removing Waste



Figure 9 | ROM Pad construction

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 Tawana Resources NL and/or Alliance Mineral Assets Limited. 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 and/or Alliance Mineral Assets Limited. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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End Notes

1. All material assumptions and technical parameters underpinning the Mineral Resource estimates in the ASX announcement dated 11 October 2017 / SGX announcement dated 12 October 2017 continue to apply and have not materially changed since it was last reported.