



6 July 2017

Ms Hayley Pratt
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Dear Hayley

RESPONSE TO ASX PRICE AND VOLUME QUERY

We refer to your letter dated 6 July 2017 querying the change in trading price of TAW shares from a closing price of \$0.19 on Wednesday 5 July 2017, to an intra-day high of \$0.245 today, 6 July 2017, and an increase in the volume of trading in Company's securities over this period ("Letter").

In response to your questions outlined in the Letter, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in the Company's securities.
2. Not applicable.
3. The Company provides the following potential explanations for the recent trading in the Company's securities:
 - a) On Wednesday 5 July 2017, Volvo Car Group announced that it will cease producing petrol-only vehicles from 2019 and has thereby become the first major traditional automaker to set a date for phasing out vehicles powered by internal combustion engines. As lithium is a major component of lithium-ion batteries that are used in the electric vehicle industry, it is likely to have provided market assurance about the longevity of current lithium pricing which Tawana, being a near-term producer, can take advantage of.
 - b) This has also been compounded by Neometals Limited (ASX: NMT) and Mineral Resources Limited (ASX: MIN) announcing on 5 July 2017 that it had reached agreement with Ganfeng Lithium that effective 1 July 2017 the price payable per tonne of 6% spodumene concentrate produced at Mt Marian and delivered CFR had increased from US\$750 to US\$841, also confirming that the current pricing of lithium concentrate is sustainable.
 - c) All major Australian, listed lithium producers and/or developers have also enjoyed increased trading and price appreciation.
4. The Company confirms it is in compliance with its continuous disclosure obligations and the Listing Rules of the ASX, in particular Listing Rule 3.1.
5. The Company can confirm that its responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy and approved by the Board.

Please do not hesitate to contact me if further information is required.

Yours sincerely

Michael Naylor
Company Secretary



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6 July 2017

Mr Michael Naylor
Company Secretary
Tawana Resources NL
288 Churchill Avenue
SUBIACO WA 6008

By email: michael.naylor@tawana.com.au

Dear Mr Naylor

Tawana Resources NL ("TAW"): price query

We note the change in the price of TAW's securities from an intraday low of \$0.19 on Wednesday, 5 July 2017 to an intraday high of \$0.245 today Thursday, 6 July 2017.

We also note the significant increase in the volume of TAW's securities traded today.

In light of this, ASX asks TAW to respond separately to each of the following questions and requests for information:

1. Is TAW aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is TAW relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in TAW's securities would suggest to ASX that such information may have ceased to be confidential and therefore TAW may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that TAW may have for the recent trading in its securities?
4. Please confirm that TAW is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that TAW's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of TAW with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **3.30 pm WST on Thursday 6 July 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in TAW's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, TAW's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at Hayley.Pratt@asx.com.au and to tradinghaltspert@asx.com.au. It should **not** be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to TAW's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that TAW's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in TAW's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.



We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Hayley Pratt

Adviser – Listings Compliance (Perth)

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