

TANGA RESOURCES LIMITED

ACN 141 940 230

PROSPECTUS

For the Offer of up to 10,000 Shares at an issue price of \$0.04 per Share to raise approximately \$400 (before costs of the offer)

This Prospectus has been prepared for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

Important Notice

This document is important and should be read in its entirety (including the Risk Factors in Section 2 of the Prospectus). This Prospectus is a transaction-specific prospectus issued in accordance with Section 713 of the Corporations Act 2001. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay.

The Shares offered by this Prospectus should be considered speculative.

TANGA RESOURCES LIMITED
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CORPORATE DIRECTORY

Directors

Mr John Jones – Chairman

Mr John Stockley – Non-Executive Director

Mr Mark Wilson – Non-Executive Director

Company Secretary

Mr Graeme Smith

Registered Office

Suite 6, 25 Walters Drive

Herdsmen Business Park

Osborne Park WA 6017

Telephone: +61 8 9382 8822

Share Registry

Security Transfer Registrars*

770 Canning Highway

Applecross WA 6153

Auditors

Somes Cooke

Level 2

35 Outram Street

WEST PERTH WA 6005

Securities Exchange Listing

ASX (AVK)

*These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

IMPORTANT NOTICES

Potential investors should read this document in its entirety and, if in doubt should consult their professional advisors.

This Prospectus is dated 3 December 2014 and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Prospectus. The Expiry Date of the Prospectus is 13 months after the date the Prospectus was lodged with the ASIC. No Shares will be issued on the basis of this Prospectus after the Expiry Date. Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to this Prospectus to be admitted for quotation on ASX.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

Overseas Shareholders

No action has been taken to permit the Offer of Shares under this Prospectus in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the ASX website. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

Privacy

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Securities will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

Risk Factors

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus. Please refer to Section 2 for details relating to investment risks.

TANGA RESOURCES LIMITED
PROPOSED TIMETABLE

PROPOSED TIMETABLE

Lodgement of Prospectus with the ASIC and ASX	3 December 2014
Opening Date of Offer	4 December 2014
Closing Date of Offer	8 December 2014
Expected Date of Official Quotation of Shares	15 December 2014

This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates including the Closing Date, subject to the ASX Listing Rules and Corporations Act, without notice.

1. Details of the Offer

1.1. The Offer

By this Prospectus, the Company invites investors identified by the Directors to apply for up to 10,000 Shares at an issue price of \$0.04 per Share payable in full on application to raise \$400 (before expenses).

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

1.2. Objectives

The Company is seeking to raise only a nominal amount of \$400 (before expenses) under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may be attached to Shares issued by the Company prior to the Closing Date.

Section 708A(5) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that were quoted securities at all times in the 3 months before the day on which the relevant securities were issued;
- (b) trading in that class of securities on a prescribed financial market on which they were quoted was not suspended for more than a total of 5 days during the shorter of the period during which the class of securities were quoted, and the period of 12 months before the day on which the relevant securities were issued;
- (c) the Company has not been exempted by ASIC from the continuous disclosure provisions at any time during the relevant period referred to in paragraph (b);
- (d) the Company or any person as director or auditor of the body has not been exempted from or received an instrument of modification in relation to the financial reporting provisions at any time during the relevant period referred to in paragraph (b); and
- (e) (relevantly) the Company gives the relevant market operator for the Company a notice that complies with Section 708A(6) of the Corporations Act before the sale offer is made.

The Company was suspended from 17 March 2014 (inclusive) to 25 March 2014 (inclusive) for late lodgement of its Half Year Accounts. Accordingly, the Company has been suspended for more than 5 days during the past 12 months and may not therefore rely on Section 708A(5) of the Corporations Act.

However, Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the Prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the Prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

1.3. Opening and Closing Dates

The Opening Date of the Offer will be 4 December 2014 and the Closing Date will be 5.00pm WST 8 December 2014. The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so, subject to the requirements of the Listing Rules.

1.4. Application

Applications for Shares must only be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus. The Directors reserve the right to issue Shares pursuant to the Offer at their absolute discretion. Accordingly, **do not submit an Application Form unless directed to do so by the Directors.**

Payment for the Shares must be made in full at the issue price of \$0.04 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to:

Tanga Resources Limited
c/ 63 Hay Street,
Subiaco WA 6008

Cheques should be made payable to “**Tanga Resources**” and crossed “**Not Negotiable**”. Completed Application Forms must reach the address set out above by no later than the Closing Date.

If you are paying by cheque, your completed Application Form and cheque must reach the Company’s registered office no later than **5:00pm (WST) on the Closing Date**. The Company shall not be responsible for any postal or delivery delays.

1.5. Application Form

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the accepted subscription amount. The Application Form does not need to be signed to be a binding acceptance of your subscription amount.

If the Application Form is not completed correctly it may still be treated as valid. The Directors’ decision as to whether to treat the acceptance of an Application Form as valid and how to construe, amend or complete the Application Form is final.

1.6. Minimum Subscription

There is no minimum subscription for the Offer.

1.7. Underwriter

The Offer is not underwritten.

1.8. Allotment of Shares and Application Money

Shares will be issued only after all Application Money has been received and ASX has granted permission for the Shares to be quoted. It is expected that Shares will be issued on 8 December 2014 and trading of the Shares on ASX is expected to commence on 15 December 2014. Holding statements for Shares issued under the Offer will be mailed as soon as practicable after their issue.

All Application Money received before Shares are issued will be held in a special purpose account for the purpose of depositing Application Money. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the Application Monies will be for the benefit of the Company and will be retained by the Company irrespective of whether grant takes place and each Applicant waives the right to claim any interest.

The Directors will determine the allottees of all the Shares the subject of the Offer in their sole discretion. The Directors reserve the right to reject any application or to allot any Applicant fewer Shares than the number applied for.

Where the number of Shares allotted is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no allotment is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

1.9. ASX quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for Official Quotation of the Shares offered under this Prospectus. If approval for Official Quotation of the Shares to be issued pursuant to this

Prospectus is not granted within 3 months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application Monies without interest as soon as practicable.

The fact that ASX may agree to grant Official Quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares. ASX takes no responsibility for the contents of this Prospectus.

1.10. CHESS

The Company will not be issuing share certificates. The Company is a participant in CHESS for those investors who have a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

1.11. Restrictions on the Distribution of the Prospectus

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their application. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

1.12. Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Company's Existing Shares on the ASX, which are on the same terms and conditions as the Shares being offered under this Prospectus, during three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	3 month high	3 month low	Last market sale price
Existing Shares	\$0.031	\$0.018	\$0.022

1.13. Rights and Liabilities attaching to the Shares

The Shares will rank equally in respect of dividends and in all other respects as Existing Shares. A summary of the rights and liabilities attaching to the Shares is set out in Section 4.1.

1.14. Risk factors

An investment in Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are summarised in detail in Section 2.

1.15. Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and its officers, do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, potential Applicants should consult their

professional tax adviser in connection with the taxation implications of the Shares offered under this Prospectus.

1.16. Major activities and financial information

A summary of the major activities and financial information relating to the Company is included in the 2014 Annual Financial Report which was lodged with ASX on 3 October 2014.

The Company's continuous disclosure notices (i.e. ASX announcements) since 3 October 2014 are listed in Section 4.4.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.17. Enquiries concerning Prospectus

Enquiries concerning the Application Form and the Prospectus should be directed to the Company Secretary by telephone on (08) 9382 8822.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

2. Risk Factors

Activities in the Company, as in any business, are subject to risks, which may impact on the Company's future performance.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. The Shares offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to carefully consider the following risk factors in addition to the other information presented in this Prospectus.

2.1 Specific Risks associated with the Company

(a) Going concern

The ability of the Company to continue as a going concern is principally dependent upon the Company raising additional capital. The Board is currently sourcing further funding opportunities to enable the Company to continue as a going concern, however there is a risk that the Company may not be able to raise sufficient funds to fully pay creditors' claims, in which case the Company will seek to defer creditors' claims until sufficient funds can be raised.

(b) Additional Requirements for Funding

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its project, future exploration and work programs and the acquisition of new projects.

It is likely that the Company will require further equity or debt (or a combination of both) funding to finance its future activities. No assurance can be given that the Company will be able to procure that funding in a timely manner on terms acceptable to it. If that additional funding cannot be obtained, the Company may need to reduce the scope of its activities, which may adversely affect its business and its financial performance and condition.

Additional equity financing, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

(c) Exploration Risk

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(d) No JORC Compliant Resource

There is no JORC compliant resource in relation to any of the Company's assets and there is no guarantee that a JORC code compliant resource in relation to any of the Company's assets will be achieved in the future.

(e) Resource Estimates

In the event that the Company successfully delineates a JORC compliant resource on any of the tenements in which it has an interest, that resource estimate will be an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which

may, in turn, adversely affect the Company's operations.

(f) Directors and Senior Management

The Board is aware of the need to have sufficient management to properly supervise the exploration of the Company's projects and the Board will continually monitor the management roles in the Company. The Company does not at present have any executive directors. The Company will continue to source appropriately qualified personnel to assist the Company to carry out its stated objectives.

There is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programmes in its preferred timetable.

2.2 Mineral Industry Risks

(a) Exploration and development risks

The exploration for, and development of, mineral deposits involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. Resource exploration and development is a speculative business, characterised by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in developing its properties.

(b) Resource estimates

Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and consequently, the actual Ore Reserves and Mineral Resources may differ from those estimated, which may result in either a positive or negative effect on operations.

TANGA RESOURCES LIMITED
RISK FACTORS

(c) Payment obligations

Under the exploration permits and licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, the permit holders are required to expend the funds necessary to meet the minimum work commitments attaching to the permits and licences. Failure to meet these work commitments will render the permit liable to be cancelled. Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company.

(d) Sovereign risks

The Company's exploration activities are to be conducted in both onshore and offshore areas in Tanzania, which is a developing country. Due to the location of the exploration assets, the Company will be exposed to the political, security and social risks.

There can be no assurance that the current systems of government in any country will remain stable and conducive to foreign investment. Any changes in government policy may result in changes in laws affecting various factors including the ownership of exploration assets, taxation regime, environmental protection, labour relations, and repatriation of income, amount of royalty and return of capital. A change in these factors may in turn affect the Company's ability to undertake exploration and development activities in the manner currently contemplated.

(e) International Operations

International sales and operations are subject to a number of risks, including:

- i. potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- ii. potential difficulties in protecting intellectual property;
- iii. increases in costs for transportation and shipping; and
- iv. restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(f) Operating risks

The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(g) Commodity price volatility and exchange rates

The revenue the Company will derive through the sale of commodities it produces, exposes the potential income of the Company to the iron ore DSO fines price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in US dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(h) Insurances

Insurance of all risks associated with exploration and production is not always available and, where it is available, the cost may be high.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly as the Company is seeking to acquire new projects which are located in other jurisdictions or involve a new commodity.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(g) Infrastructure

The marketability of the Company's production depends in part upon the availability, proximity and capacity of infrastructure such as ports, railways, pipelines, power and processing facilities. Federal and state regulation of resources production and transportation, tax and energy policies, changes in supply and demand and general economic conditions all could adversely affect the ability to produce and market mineral commodities.

2.3 Environmental risks

(a) General

The operations and activities of the Company are subject to regulations concerning the environment. The Government and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidents or other unforeseen circumstances, which could subject the Company to extensive liability.

(b) Water access

The Company's operations are heavily dependent on water. Depending on water availability, there is the potential that the Company will be unable to access as much water as it desires. There is also the potential that the Company will be either unable to pump water for its operations or the cost of obtaining

water increases or becomes prohibitive, with a consequent adverse impact on the Company's financial position.

2.4 General Risks

(a) Securities investments

There are risks associated with any securities investment. The prices at which the Shares trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that these trading prices will be sustained. These factors may materially affect the market price of the Shares regardless of the Company's operational performance.

(b) Share market conditions

Share market conditions may affect the value of Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- changes in investor sentiment toward particular countries;
- global media reports;
- the demand for, and supply of, capital; and
- other external factors whether real or perceived by the market.

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company, or any return on an investment in the Company.

(c) Economic Risk

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption, the rate of growth of gross domestic product in Australia, or any other country in which the Company may operate, interest rates and the rate of inflation.

(d) Changes in Government Policies and Legislation

Any material adverse changes in government policies or legislation of Australia or any other country where the Company may acquire economic interests may affect the viability and profitability of the Company.

2.5 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Shares pursuant to this Prospectus.

3. Purpose and Effect of the Offer

3.1 Purpose of the Offer

The purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date.

Under the Offer, an amount of approximately \$400 (before expenses) will be raised. All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 4.9 of this Prospectus for further details relating to the estimated expenses of the Offer.

3.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure, assuming all Shares offered under the Prospectus are issued, is set out below:

Shares	Number
Shares currently on issue	237,051,319
Shares offered under this Prospectus ¹	10,000
Total Shares on issue on completion of the Offer and the Capital Raising²	237,061,319

Notes:

1. Assumes the Offer is fully subscribed.
2. Assumes no additional Securities issued prior to Closing Date.

3.3 Financial Effect of the Offer

After paying for the expenses of the Offer of approximately \$4,200, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$400) will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position, being receipt of funds of \$400 less costs of preparing and lodging the Prospectus of \$4,200.

3.4 Dividend policy

The Directors are not able to say when and if dividends will be paid, as the payment of any dividends will depend on profitability, financial position and cash requirements of the Company.

4. Additional information

4.1 Rights and liabilities attaching to Shares

(a) General

The Shares to be issued pursuant to this Prospectus are ordinary shares and will, as from their allotment, rank equally in all respects with all ordinary shares in the Company.

A summary of the more significant rights and liabilities attaching to Shares is set out below. The rights attaching to the Shares arise from a combination of the Company's Constitution, statute and general law. The Constitution has been lodged with ASIC. A copy of the Company's Constitution is available for inspection at the Company's registered office during normal business hours.

(b) Reports and Notices

Shareholders are entitled to receive all notices, reports, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

(c) General Meetings

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act. All members are entitled to a notice of meeting. A quorum for a meeting of members is 2 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) to speak and to vote at general meetings of the Company.

(d) Voting

Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the Company on a show of hands, every ordinary Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any Share held by the Shareholder. In the case of an equality of votes, the chairperson has a casting vote.

A poll may be demanded by the chairperson of the meeting, any 5 Shareholders entitled to vote in person or by any one or more Shareholders holding not less than 5% of the total voting rights of all Shareholders having the right to vote.

(e) Dividends

The Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may determine the amount, method and time for payment of the dividend.

(f) Winding Up

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, if the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set a value as the liquidator considers fair upon any property so decided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(g) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, and to the registration of the transfer not resulting in a contravention of, or failure to observe, the provisions of a law of Australia.

(h) Issue of Further Shares

The Directors may, subject to any restrictions imposed by the Constitution and the Corporations Act, allot, issue and grant options over further Shares, on such terms and conditions as they see fit.

(i) Directors

The existing Directors may appoint a new Director to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors does not at any time exceed 9. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as a Director).

The Constitution contains provisions relating to the rotation and election of directors. No Director may hold office later than the third annual general meeting after his or her appointment or election without submitting himself or herself for re-election.

(j) Variation of Shares and Rights Attaching to Shares

Subject to the Corporations Act, the Company may, with the sanction of special resolution passed at a meeting of shareholders or with the written consent of holders of three quarters of the issued shares, vary the rights and privileges attached to any class of shares.

(k) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(l) Listing Rules

Provided the Company remains admitted to the Official List of the Australian Stock Exchange Ltd, then despite anything in the Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. If as a result of an amendment to the Listing Rules, there is an inconsistency between the Constitution and the Listing Rules, the Company shall, subject to the Corporations Act, do all things necessary to change the Constitution to remove the inconsistency as soon as possible and in any event, at the first general meeting of the Company held after the date on which the relevant amendment the Listing Rules comes into operation.

4.2 Nature of this Prospectus

This Prospectus issued under the special content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company to issue a prospectus for continuously quoted securities and options to acquire continuously quoted securities with modified disclosure requirements if they satisfy certain requirements. Please refer to Section 1.2 for the purpose of the issue of this Prospectus.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offer on the Company; and
- (b) the rights and liabilities attaching to the Shares offered pursuant to this Prospectus.

This Prospectus is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX and does not include all of the information included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company.

4.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules of ASX.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an

ASIC office (see Section 4.4 below).

4.4 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, the Company's Registered Office. The Company will provide free of charge to any person who requests it, a copy of:

- (a) the Annual Financial Report of the Company for the year ended 30 June 2014, being the last financial year for which an annual financial report has been lodged with ASIC in relation to the Company before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report referred to in paragraph (a) and before the date of issue of this Prospectus are as follows:

Date of Announcement	Description of ASX Announcement
02/12/2014	Change of Company Name
27/11/2014	Results of Annual General Meeting
17/11/2014	Corporate Presentation
31/10/2014	Ground Magnetic Survey Completed Singida Project Tanzania
30/10/2014	Notice of Annual General Meeting / Proxy Form
14/10/2014	Quarterly Activities & Cashflow Report
07/10/2014	Exploration Activities Update Singida Project
03/10/2014	Reinstatement 6 October 2014
03/10/2014	Change of Company Secretary

The following documents are available for inspection throughout the application period of this Prospectus during normal business hours at the registered office of the Company (details are provided in the Corporate Directory):

- (a) this Prospectus;
- (b) Constitution; and
- (c) the consents provided by the Directors to the issue of this Prospectus.

4.5 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

4.6 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on Section 713 of the Corporations Act in issuing the Shares under this Prospectus.

4.7 Directors' interests

- (a) Directors' Holdings

Set out in the table below are details of Directors' relevant interests in the securities of the Company at the date of this Prospectus.

TANGA RESOURCES LIMITED
ADDITIONAL INFORMATION

Director	No of Shares
Mr John Jones	1,250,000
Mr John Stockley	10,115,002
Mr Mark Wilson	-

(b) Remuneration of Directors

No person has paid or agreed to pay any amount or has given any benefit to any Director to induce them to become, or qualify as a Director or for services provided by the Director, in connection with:

- (i) the formation or promotion of the Company; or
- (ii) the Offer of Shares under this Prospectus, except asset out below or elsewhere in this Prospectus.

Remuneration (plus superannuation where applicable) for the Chairman is presently \$40,000 per annum and remuneration for non-Executive Directors is \$30,000 per annum.

Information regarding the remuneration received by Directors for the preceding two financial years can be found in the 2014 Annual Report.

(c) Other interests

The Company has entered or agreed to enter into Deeds of Indemnity, Access and Insurance on standard terms with each of its current directors. Those deeds do or will indemnify these Directors in respect of certain liabilities and legal expenses incurred by them whilst acting as Directors and insures them against certain risks they are exposed to as Directors. The Company has paid insurance premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

4.8 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

Advanced Share Registry Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

4.9 Expenses of issue

The estimated expenses of the issue are as follows:

	\$
ASIC lodgement fee	2,290
ASX quotation fee ¹	1,614
Miscellaneous fees	296
\$ Total	4,200

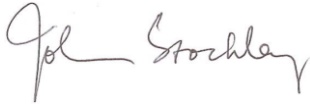
¹ This amount is based on the quotation of 10,000 shares at \$0.04 each.

4.10 Consents

References to Security Transfer Registrars & Somes Cooke appear for information purposes only. Neither Security Transfer Registrars nor Somes Cooke have been involved in, authorised or caused the issue of this Prospectus.

5. Authorisation

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act. This Prospectus is signed for and on behalf of Company by:



John Stockley
Director
Tanga Resources Limited

Date: 3 December 2014

6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

Annual Financial Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2014 and includes the corporate directory, Shareholder information, Directors' declaration, financial statements and the notes thereto, of the Company and its controlled entities for the year ended 30 June 2014, together with a Directors' report in relation to that financial year and the auditor's report for the year to 30 June 2014.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

Application Monies means application monies for Shares received by the Company.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHES means ASX Clearing House Electronic Subregister System.

Closing Date means 8 December 2014 or such later date as the Directors may determine.

Company means Tanga Resources Limited ACN 141 940 230

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means *Corporations Act (Cth) 2001*.

Directors mean the directors of the Company as at the date of this Prospectus.

Existing Shares means a fully paid ordinary share in the capital of the Company on issue as at the date of this Prospectus.

Listing Rules means the Listing Rules of ASX.

Offer means the offer of Shares referred to in Section 1.1 of this Prospectus.

Official List means the official list of ASX.

Official Quotation means quotation of Shares on the Official List.

Prospectus means this prospectus dated 3 December 2014.

Section means a section of this Prospectus.

Shareholder means a holder of Shares.

Share means a fully paid ordinary share in the capital of the Company.

\$ means Australian dollars.

WST means Western Standard Time, being the time in Perth, Western Australia.