

Tanga Resources Limited

Ground Floor

63 Hay Street

Subiaco WA 6008

t: +61 (8) 9 381 5686



ASX Announcement

12th October 2015

SINGIDA PROJECT UPDATE

HIGHLIGHTS:

- Anomalous gold results in laterite soil sampling: results up to 63ppb Au at South Garauja
- 12km² area low-level gold zone discovered: open to NW and SE
- New mineralised porphyry system identified by Tanga field geologists at North Garauja

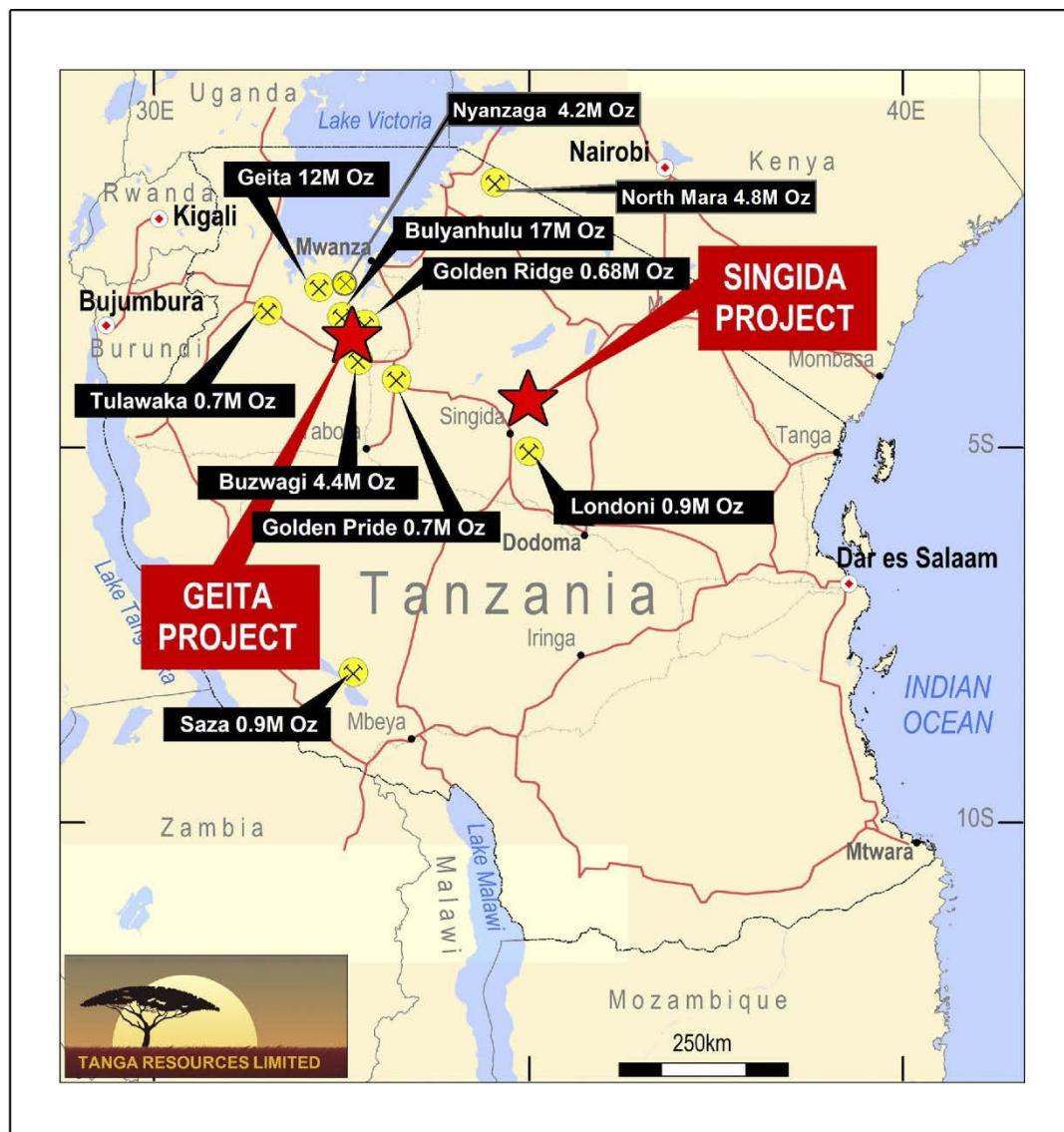


Figure 1. Tanzanian Project Location Plan.

SINGIDA PROJECT:

Tanga Resources Limited (**Tanga**) is pleased to announce significant new gold-in soil geochemical results obtained during recent exploration work on the Singida Project (see Figure 1 above).

The Singida Project comprises a semi-contiguous package of Prospecting Licences covering 475km² in area along the eastern portion of the Tanzanian Craton (see Figure 2 below). Tanga has been carrying out systematic soil geochemical sampling since 2011 aimed at discovering an economic gold deposit.

During the current quarter Tanga engaged Gold Vector Pty Ltd, whose principal geologist is Ed Baltis, to carry out a geological and structural review of the Singida Project.

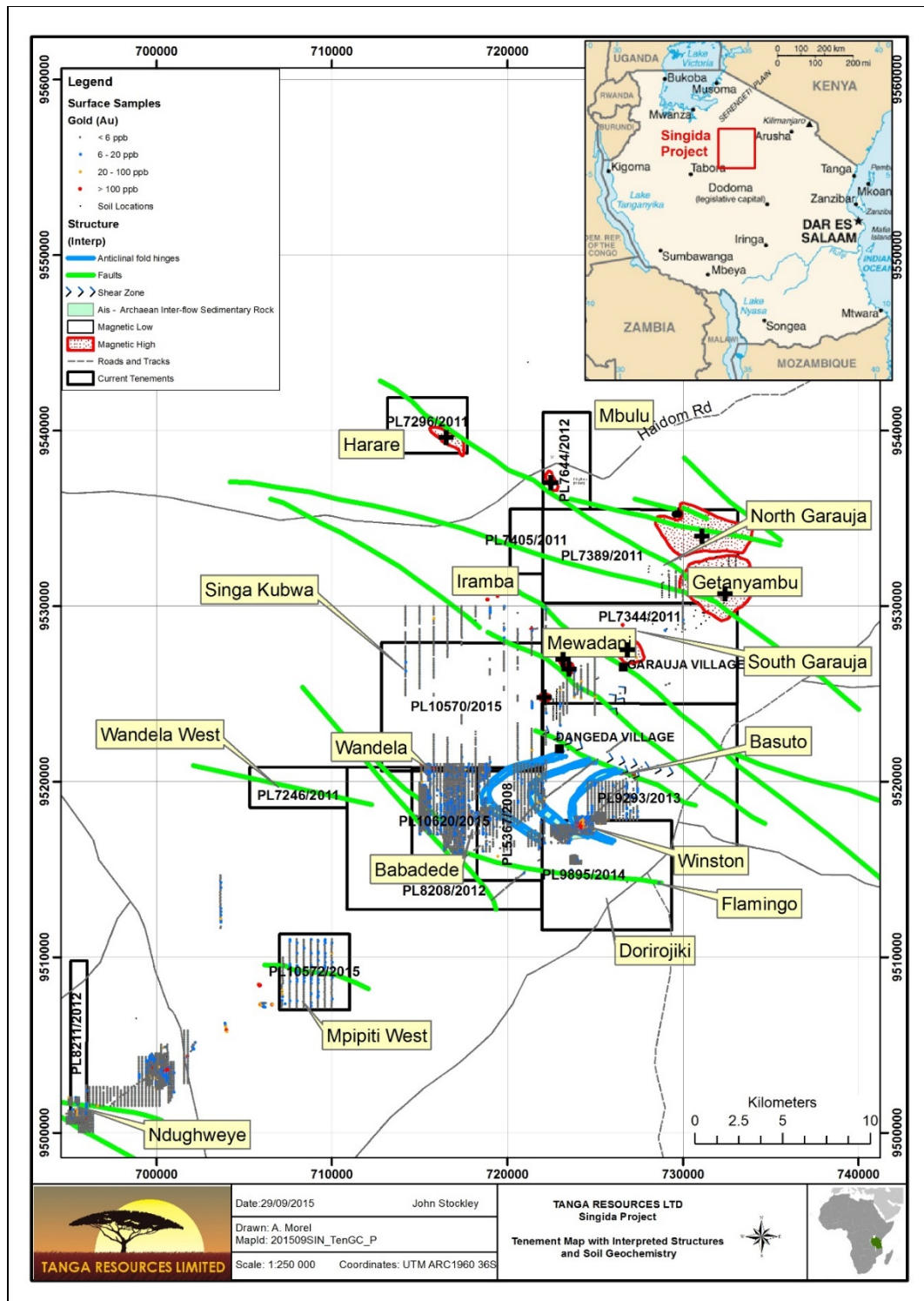


Figure 2. Singida Project Tenement Plan showing structures & soil geochemistry.

PL 7344/2011 South Garauja:

The review of the regional geological and aeromagnetic data by Ed Baltis has led to a change in the understanding of the structural geology at Singida.

Reconnaissance soil geochemical sampling along regional NW-SE trending fault structures has shown wide spaced gold-in soil anomalies over a +2km zone in laterite.

Peak values of between 17 to 63ppb Au have been obtained over 2,000m of strike in thick lateritic soils developed on sheared, quartz veined Archaean mafic rocks with felsic porphyry and Banded Iron Formation. Rock chip values of up to 93ppb Au have been obtained from scattered outcrops of quartz veined mafic schist at South Garauja. A discontinuous halo of +4ppb gold values in laterite covers an area of 2.5km by 2km and is open to the south: where another extensive low tenor gold-in soil anomaly extends for +4km orientated NW-SE (see Figure 3 below).

Overall sampling in the South Garauja area now defines a broad low level (+4ppb Au) gold-in soil anomalous area measuring 4km by 3km. The anomalous area is bounded to the southwest and northeast by major shear structures. This 12 km² area requires detailed in-fill soil sampling.

No previous work has been documented within the area, and Tanga believes it has discovered a northern extension of the Archaean greenstone belt which hosts the Winston gold anomaly 10km to the south (see Figures 7 & 8 below).

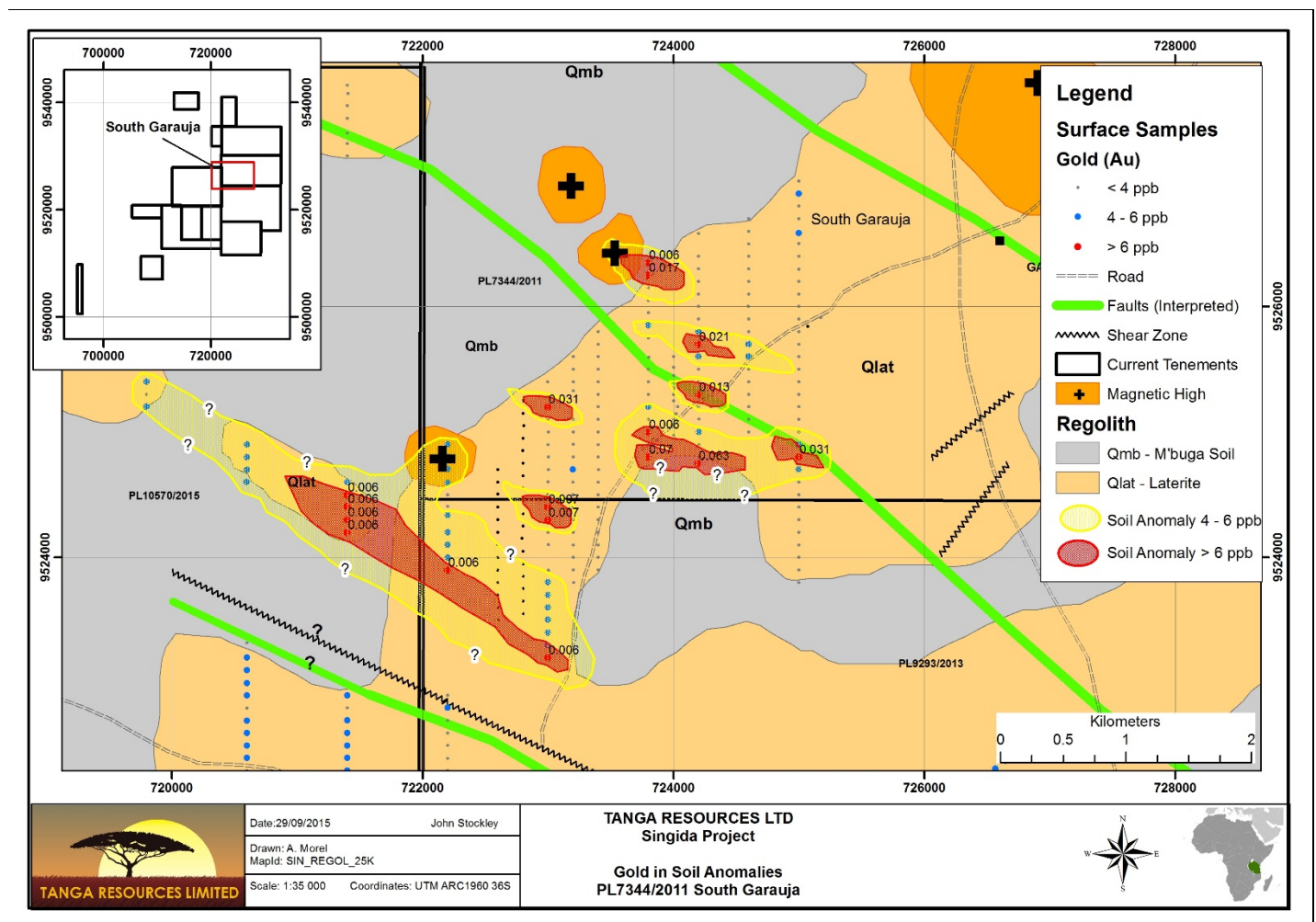


Figure 3. PL 7344/2011 Gold-in soil anomalies at South Garauja.

Peak values within the soil anomalies range from 17 to 63 ppb Au.

PL 7389/2011 North Garauja:

A large altered gabbro-diorite-felsic porphyry system has been identified 10km to the northeast at North Garauja. The alteration zone is associated with an intense regional aeromagnetic anomaly and prominent WNW-ESE fault zones (see Figure 5 below). The porphyry system was identified during regional mapping by Tanga field geologists.

Quartz veining, alteration (iron sulphides, epidote, K-spar) and brecciation is associated with dioritic stocks intruded into hornblende gabbro porphyry over about an of 8km by 5km (see Figure 4 below).

Wide spaced (400m line spacing) soil sampling has commenced at the prospect but no results are to hand.



Figure 4. Silica-epidote-K-spar alteration zone in felsic quartz porphyry at North Garauja.

PL 9293/2013 (Basotu) & PL 9895/2014 (Dorirojiki):

Recent re-assessment of regional geological and geophysical data has led to a new understanding of the geological controls to gold mineralisation at Winston (PL 9895/2014) and Wandela (PL 10620/2015): see Figure 5 below.

The previously reported Winston and Wandela gold anomalies are now interpreted to sit on limbs of major anticlinal fold structures in amphibolite, Banded Iron Formation, and sheared basalt; within a shear zone corridor trending WNW-ESE. The strong gold-in soil anomaly at Winston sits on the southern limb of an antiformal structure, the bulk of which is under thick laterite cover. The Wandela & Babadede gold anomalies further west also sit on or close to major fold noses within a stacked series of antiforms: see Figure 7 below.

The gold anomalies appear to lie within a 10km long corridor orientated east-west, oblique to the main structural trend.

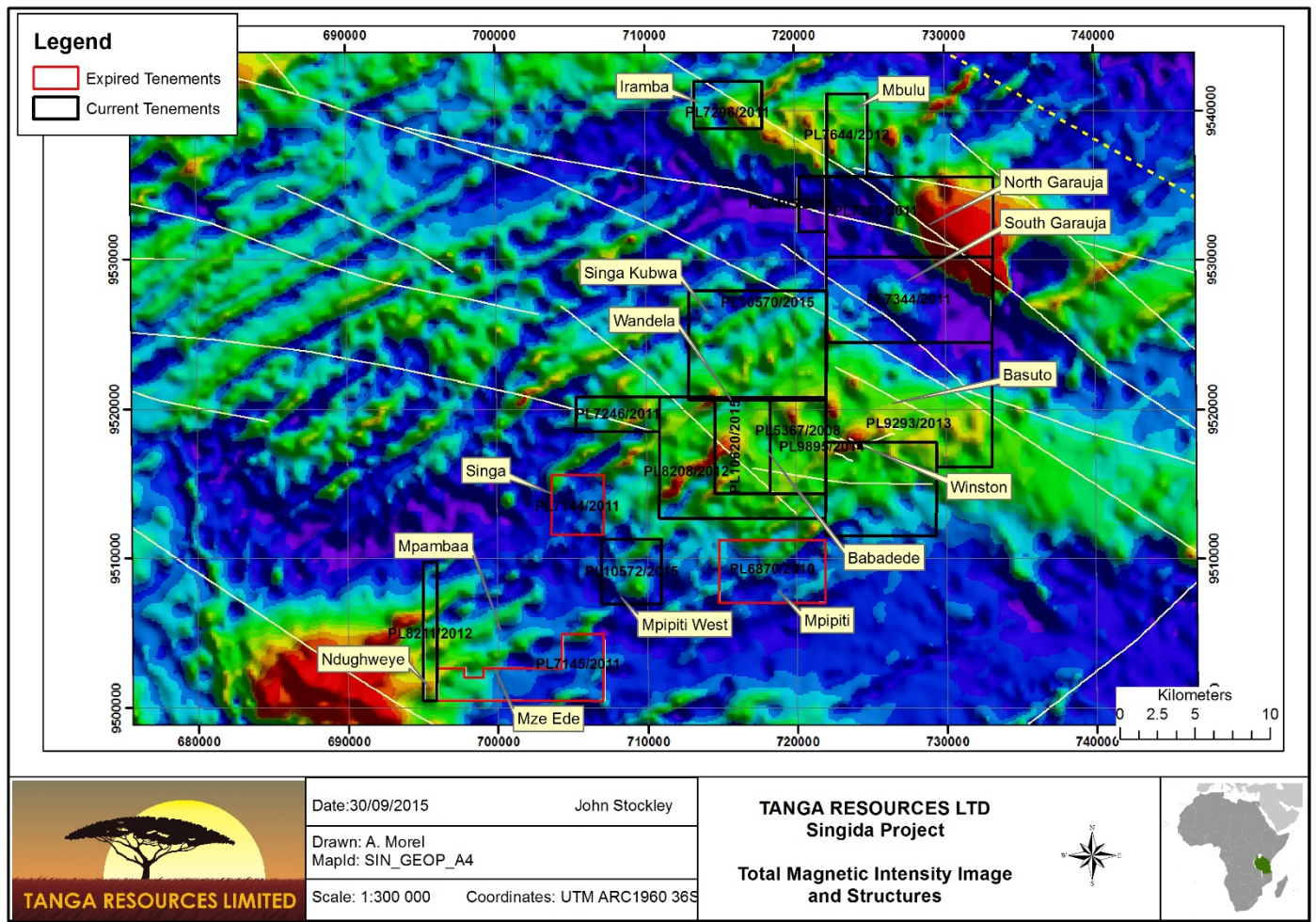


Figure 5. Regional aeromagnetic image of the Singida Project. Fault structures are shown as white lines.



Figure 6. Gold mineralised, folded BIF at Winston

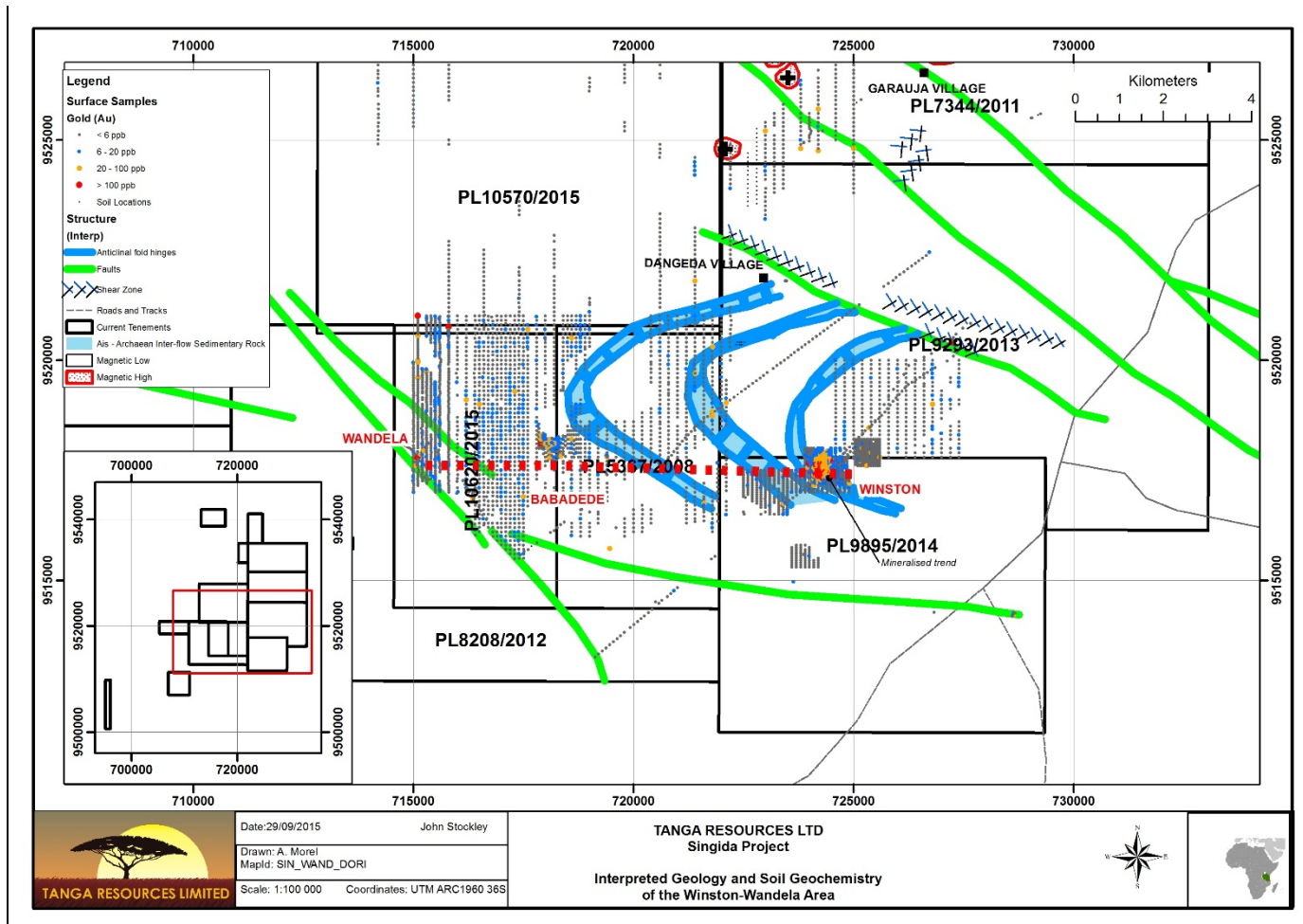


Figure 7. Winston-Wandela zone gold-in soil anomalies and interpreted geology.

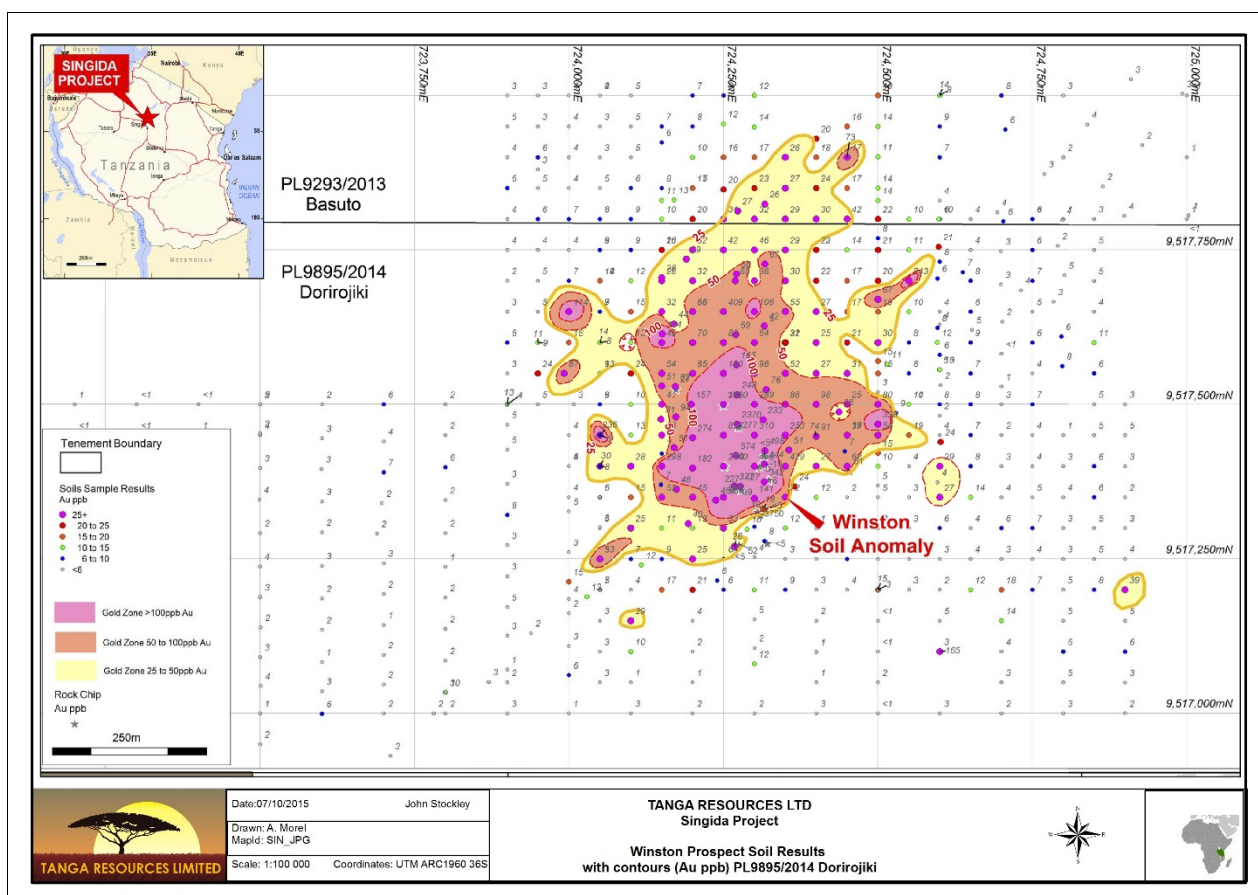


Figure 8. Winston gold-in soil anomaly



Figure 9. Soil sampling at South Garauja.

Future Work: Singida Project

- Soil sampling follow up at South Garauja & North Garauja-detailed infill sampling and geological mapping;
- Acquisition of detailed aeromagnetic data over the whole of the Singida Project area;
- Planning for a Reverse Circulation drilling program at Winston, Babadede & Wandela.

*For further information contact:
Director-Exploration John Stockley*

08 9381 5686

jstockley@tangaresources.com.au

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by John Stockley who is a director of the company and fairly represents this information. Mr Stockley is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Stockley has sufficient experience to the style of mineralisation and the type of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr Stockley consents to the inclusion in this report of the matters based on the information in the form and context which it appears.

Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Minus 180 micron sieved soil samples taken at 100m on north-south lines spaced at 400m intervals.</p> <p>Duplicate soil sample taken at every 15th sample</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	No drilling was carried out.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	No drilling was carried out.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	All soil samples were geologically logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	No sub-sampling was carried out.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory 	<p>All soil samples were assayed by ALS Laboratories by method Au-ICP22 (Au-50gm Fire Assay with ICP-AES finish)</p> <p>All rock chip samples were assayed by ALS Lab. by method Au-AA23 (30gm Fire Assay with AAS finish)</p>

Criteria	JORC Code Explanation	Commentary
	<i>checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	No drilling was carried out
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>All samples were picked up using hand held Garmin GPS</p> <p>ARC 1960 Datum, UTM grid</p>
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>100m sample interval on north-south lines spaced at 400m intervals.</p> <p>No</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	The regional geological strike is interpreted to be predominantly WNW-ESE: the soil sampling lines are on North-South azimuths
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Samples were under the care of TRL personnel to the point of ALS Lab delivery
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	No audits carried out

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<p>Prospecting licences PL5367/2008; PL7344/2011; PL7389/2011; PL9293/2013; PL9895/2014; PL10620/2015 are all held by the 99.95% owned subsidiary Kudu Resources TZ Ltd.</p> <p>All the above tenements are in good standing.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	No record of any previous exploration.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	Orogenic gold mineralisation in Archaean greenstones of the Tanzanian Craton
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	No drilling was carried out

Criteria	JORC Code Explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	No data aggregation was carried out.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	No drilling was carried out.
Diagrams	<ul style="list-style-type: none"> <i>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 drill hole collar locations and appropriate sectional views.</i> 	See text of the report: all diagrams have appropriate scales and grid information.
Balanced reporting	<ul style="list-style-type: none"> <i>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.</i> 	Applied.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	No other data used.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	Infill soil sampling; Reverse Circulation drilling, and acquisition of regional geophysical data.