

Tanga Resources Limited

Ground Floor
63 Hay Street
Subiaco WA 6008
t: +61 (8) 9 381 5686



15 February 2016

Dear Shareholder

Non-Renounceable Rights Offer - Details

On 15 February 2016 Tanga Resources Limited ACN 141 940 230 (**Company**) announced that the Company would be conducting a pro-rata non-renounceable entitlement issue to eligible shareholders of approximately 30,532,869 fully paid ordinary shares (**New Shares**) at an issue price of \$0.05 per Share on the basis of one New Share for every eleven Shares held at 5:00pm (WST) on 29 February 2016 (**Record Date**), to raise approximately \$1.5 million before expenses (**Offer**). Any New Shares not taken up by eligible shareholders will form part of the shortfall which eligible shareholders may apply for in addition to their entitlement. New Shares not taken up under the Offer may also be placed at the discretion of the Directors in the three months following the closing date of the Offer.

Funds raised from the Offer will be used to further exploration and development work at the Company's Singida project in Tanzania and for working capital. The New Shares issued will rank equally with other fully paid Shares on issue.

The Offer will be made to all registered shareholders on the Record Date who are recorded on the Company's register as residing in Australia or New Zealand. All other shareholders are not eligible to participate in the Offer and will be notified by the Company separately. Optionholders will be given notice on 15 February 2016 that if they wish to participate in the Offer they must exercise their options prior to the Record Date.

The Offer is made pursuant to Section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**). As the offer is a pro rata entitlement offer, Shareholder approval is not required under ASX Listing Rule 7.1 (see exception 1, Listing Rule 7.2). An Offer Document will be released to the Australian Securities Exchange (**ASX**) on 15 February 2016. The Offer Document is available on the Company's website: www.tangaresources.com.au or on the ASX website (company announcements section, ASX code: TRL): www.asx.com.au.

It is anticipated that the Offer Document will be sent to all shareholders in Australia and New Zealand on 1 March 2016.

Proposed Timetable*

The current proposed timetable for the Offer is set out below. The dates are indicative only and the Company reserves the right to vary the dates subject to Corporations Act, the Listing Rules of the ASX (**Listing Rules**) and other applicable law.

Lodgement of Offer Document and Section 708AA(2)(f) Notice with ASX (Prior to trading commencing)	15 February 2016
Notice sent to Security holders	15 February 2016
"Ex Date"	25 February 2016
Record Date The Company determines eligible shareholders	29 February 2016
Despatch of Offer Document Offer Document sent to all eligible shareholders.	1 March 2016
Closing Date The date on which the Entitlement Offer closes. Applications must be received by 5:00 pm (WST).	15 March 2016
Notification of shortfall to ASX (shares comprising the Excess Entitlement Offer)	18 March 2016

Issue Date The date upon which the Shares are issued.	22 March 2016
Share Trading Date The date upon which New Shares commence trading on the ASX.	23 March 2016

* The Directors reserve the right to vary the key dates without prior notice, subject to ASX Listing Rules.

** The Directors may extend the Closing Date by giving at least three Business Days' notice to the ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on the ASX may vary.

Capital Structure following the Rights Offer

Number	Class
335,861,561	Current Ordinary shares on issue
30,532,869	Maximum number of New Shares to be issued pursuant to the Offer*
366,394,430	Total Number of Issued Shares following completion of the Offer

20,717,696	Listed Options exercisable at \$0.05 each and expiring 24 December 2016
6,112,500	Unlisted Options exercisable at \$0.003 each and expiring 31 December 2016
13,797,146	Listed Options exercisable at \$0.003 each and expiring 30 April 2017

* Assuming no existing options are exercised prior to the Record Date.

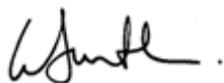
The Company currently has no dividend policy and entitlements in relation to fractions will be rounded down.

This letter is not an Offer Document and does not constitute an offer of securities. An offer of Shares under the Offer will only be made in, or accompanied by, a copy of the Offer Document sent to all eligible shareholders. Before deciding whether to apply for Shares under the Offer, you should consider the terms of the Offer Document carefully. If in doubt, consult with your professional adviser.

For further information please contact the Company on +61 8 9 382 8822 the Company's share registry – Security Transfer Registrars Limited on +61 8 9315 2333, or your professional adviser.

Yours faithfully,

TANGA RESOURCES LIMITED



Graeme Smith

Company Secretary