



27 November 2018

Company Announcements Officer
ASX Limited

2018 ANNUAL GENERAL MEETING – ADDRESS BY EXECUTIVE DIRECTOR MR JOHN STOCKLEY

Attached is an address made by Executive Director Mr John Stockley at the 2018 AGM.

2018 AGM Company Address Monday 26th November 2018

Good afternoon ladies and gentlemen.

Welcome to all of you here today. The Annual General Meeting is always a special day for our company and, once again, we have a great number of shareholders in attendance.

The past 12 months have been challenging for the Company. Following the changes to the Mining Act in Tanzania, first announced in July 2017, Australian investor sentiment towards the country deteriorated significantly. With Tanga's main focus at the time being the exciting Hanang Gold Project in central Tanzania, these events reduced our ability to operate in the country, and subsequently severely affected our share price.

During this period we have acted to protect shareholder interests by diversifying our country risk and looking to other high value commodities. Importantly, we did this while continuing to operate in Tanzania, to preserve our assets and as part of our corporate social responsibility for our shareholders. This remains our strategy for Tanzania until we see clear and positive change in investment sentiment, and stability in the country.

Our move into the Republic of Namibia has been, I believe, very positive for the long term future of the company.

The acquisition of the Joubira Zinc Project JV with Epangelo Mining, as an entry into Namibia and more recently the outright 100% acquisition of the Hagenhof Copper-Cobalt Project, are good opportunities for the Company. We have diversified our operations in Africa, obtained exposure to key metals – particularly copper and gold, for which the outlook is very encouraging – and are no longer reliant on a single project.

Entering a new country is always challenging – however Namibia is a safe, low risk, politically stable, mining friendly jurisdiction with a transparent Minerals Act. Foreign entities are allowed to hold 100% ownership of exploration tenements, and overall foreign investment is encouraged.

We have received a warm welcome to the country and believe there will be more opportunities for the Company to grow, in line with our stated strategy to increase our footprint in Namibia. Furthermore, we are enjoying a good relationship with our joint venture partner Epangelo Mining (Pty) Limited, which is a Namibian government agency, and look forward to continuing to work together as we advance our exploration activities.

So, if I look back at our achievements of the last 12 months, we have maintained

- Effective management of the issues resulting from events in Tanzania, and field work continued with discovery of the New York gold prospect.
- Entered Namibia in August 2017 with assessment of ~30 copper-gold-silver properties.
- Secured an option over the Joubira zinc property in Dec 17
- Commenced an 887m Diamond drilling program at Joubira in March 18 during an unusually high rainfall wet season-completed the program on 16th April with 471 diamond drill samples sent to Perth for multi-element assay.
- Identification of new zinc targets at Joubira in the eastern part of the licence on ground where we have full legal title to operate.
- Continuously generating a pipeline of metal projects elsewhere in Namibia to review
- Acquired 100% of the Hagenhof Copper Cobalt Project within 3 months of identifying the target, with great co-operation from the Ministry of Minerals & Energy
- Now in preparation to commence a major reverse circulation drilling program at Hagenhof early in the new year.

We have achieved a lot in a short space of time and you can see why I firmly believe we are well positioned for future exploration success in Namibia.

Briefly looking to the next twelve months, our stated strategy is focused on precious and base metals in the Damaran Metallogenic Belt of Namibia. This belt is a world class metal province hosting a number of major discoveries and mines, including B2 Golds Otjikoto, and QKR's Navachab each with over 7M oz total gold endowment.

Our first priority in the new year is to drill Hagenhof and follow up on the highly encouraging historical drilling copper results reported by Phelps Dodge & Texas Gulf in the mid 1970s. This is what was stated to the ASX as the purpose of our recent rights issue, and a principal reason shareholders invested in the Company.

Importantly, these achievements could not have been realised without the efforts of the Board and Management.

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I will briefly touch on this recent requisition notice, received while I was in Namibia.

This group of shareholders have only recently acquired the majority of their shares in the company, and have no defined strategy or direction for the company. We view their actions as opportunistic and motivated purely by self-interest. Essentially to take control of Tanga i.e. a hostile takeover: without offering any premium or choice to our existing shareholders.

As a significant shareholder myself, since founding private company Simba Minerals with Allen Lafferty in 2012, I am as disappointed by the Company's share price performance over the past 12 months as any one else. However much of this has had to do with matters that I have spoken about to which have been beyond our control.

One thing shareholders should be very clear about in regards to this requisition matter is that these efforts are an attempt to create uncertainty and discredit the Board through false, misleading and factually incorrect information: Fake News.

I would like to clarify the facts to some recent mis-statements:

- Directors received most of the fees during Financial Year 18 in the form of options in lieu of cash, and fees were reduced to a minimum benchmark;
- The headline number reported for our CEO's remuneration and used as criticism by the requisitionists referred to his total salary package. The cash component was almost half of this amount, with the balance being incentive options, standard for our industry and again benchmarked against peers; their reported value in the Annual Report is now one third of their original value. This has been reported in the Notice of Meeting.

- My total cash remuneration was \$143,650. During the last 12 months I and my wife have spent 9 months of that time in Namibia, working for Tanga.
- Yes our share price did reach 16 cents back in 2016, but this was an all time high on the back of exceptional drilling results at Winston, and when our stock had been trading at 5 cents a few weeks earlier;
- Yes we have spent over \$5m since 2015 (including \$1.5m in the last 10 months) More than 60% of this has been spent on direct mineral exploration including 1,200m of diamond drilling and 12,000m of RC drilling, the definition of a small high grade gold resource at Winston, and in Namibia 867m of diamond drilling with 471 assay samples to follow up historical zinc results at Joubira.
- As we sit here today we have \$1.8M in the bank.

We are pleased that this Requisition matter shall soon be resolved so that we may continue to focus on the important task of running your Company, starting with drilling at Hagenhof as positive results is what will drive the share price – and not waste shareholder funds and management time, dealing with a thinly veiled attempt to gain control of your Company by stealth.

Looking ahead, your Board considers the outlook for the Company to be strong notwithstanding the challenges I have described.

I would like to pay tribute to my fellow Directors, with such energy and passion to make another significant discovery, and John Jones for his strong counsel, wisdom and common sense throughout the last 12 months. Furthermore, our CEO Matthew Bowles, who has displayed such resilience and patience in guiding the Company through the last twelve months. I also thank our Company Secretary Mr Graeme Smith.

These individuals, in my view, have an excellent balance of the requisite skills and experience to take the Company forward. They act with the utmost integrity and respect and I thank them for their hard work and support throughout the year.

Thank you, also, our shareholders, for your ongoing support. It is very much appreciated.

We look forward to progressing our exploration plans in Namibia and building a meaningful business there while maintaining a watching brief on Tanzania.