



Quarterly Report

for the period ending 31 December 2019

Tanga is focused on the discovery, exploration and development of precious and base metals in the Damara Metallogenic Belt, Namibia

Significant landholding of +1,700km²

Strategic Relationship with Epangelo Mining Limited (Namibian Govt)

Capital Structure

Market Cap \$3.8m (\$0.002/share)

Issued Shares 1,868m

Options 354m (\$0.01-\$0.12)

Cash (Dec 31) ~\$1.3m

Hagenhof Copper Project, Namibia

- Outcropping, visible copper mineralisation
- Historical results report significant copper mineralisation
- Potential to host large scale sediment hosted copper deposit

Katerina Gold Project, Namibia

- Historic copper and gold results
- Adjacent to B2 Gold's 0.5Moz Ondundu gold deposit

Joubira Zinc Project, Namibia

- Highly prospective zinc, lead, silver project ~ 210km²

Hanang Gold Project, Tanzania

- Over ~400km² of unexplored greenstone belt

Board & Management

Nigel Lafferty, Non Exec Chairman
Matthew Bowles, Director & CEO
John Stockley, Technical Director
Graeme Smith, Co Sec.

ASX Code: **TRL**

www.tangaresources.com.au

Highlights – December Quarter 2019

Hagenhof Copper Project, Namibia

- **Final results from the maiden RC drilling at Main Gossan intersected copper mineralisation down plunge and remains open**, results include:
 - **14m @ 0.56% Cu** from 48m to 62m incl. **4m @ 0.83% Cu** from 48m to 52m (HRC023)
 - **8m @ 0.72% Cu** from 85m to 93m incl. **2m @ 2.02% Cu** from 87m to 89m (HRC025)
 - **9m @ 0.51% Cu** from 105m to 114m (HRC026).
 - **8m @ 0.74% Cu** from 68m to 76m and **6m @ 0.27% Cu** from 87m to 93m (HRC022).
 - **4m @ 0.34% Cu** from 66m to 70m, and **2m @ 0.27% Cu** from 78m to 80m (HRC027).
 - **2m @ 0.38% Cu** from 43m to 45 (HRC029).
- **Additional ground magnetic surveys have identified multiple new potential copper targets at Hagenhof**
- **These new targets** include magnetic anomalies both north and west of Main Gossan, a strong 500m long anomaly at A1, north east of Jette's Hill and a series of strong magnetic/structural targets at Gifputs, to the south of Hagenhof.
- Detailed Time Domain Electromagnetic (TDEM) surveys have been completed at both Main Gossan and Liv's Hill, to define **potential massive sulphide mineralisation associated with strong magnetic features and surface copper mineralisation**.
- The TDEM survey has **confirmed a strong southwest plunging electromagnetic conductor at the Main Gossan Copper Prospect**
- A phased follow up RC and Diamond drilling commenced at Hagenhof in December, planned for an initial 3,000 metres.
- This drilling intends to **test down-plunge extent of copper mineralisation at Main Gossan** and additional targets recently identified from ground magnetics.

Katerina Gold Project, Namibia

- During the quarter work consisted of detailed reviews of historical exploration data covering EPL4833, reconnaissance geological mapping and rock chip sampling; and planning for detailed ground magnetic surveys has commenced
- Planning has commenced for maiden RC drilling campaigns at Katerina **targeting orogenic gold** mineralisation under transported cover.

Corporate

- Cash on hand at the end of the December quarter, was \$1.28 million.
- Mr John Jones AO retired from the Board following the Company's AGM.
- Ongoing investor presentations and marketing to sophisticated investors, brokers and small cap funds.

Hagenhof Copper Project (100%), Namibia

The Hagenhof Copper Project ("Hagenhof") is hosted in the north central zone of the Damaran Metallogenic Belt of Namibia. Hagenhof is a granted exploration permit covering 197.26km² in central northern Namibia, approximately 200km northwest of the capital, Windhoek. Hagenhof is **well located with key infrastructure including sealed roads, high voltage power and a rail line from Walvis Bay deep water port to the copper smelter at Tsumeb**, all in close proximity.

The copper mineralisation at Hagenhof is hosted by the Okonguarri Formation turbidite sequence in the NeoProterozoic Swakop Group of the north central zone of the Damaran Metallogenic Belt, which runs through central Namibia. The host rock is folded into tight, asymmetric folds which can be seen in the regional satellite imagery over the Hagenhof Copper Project, with the regional aeromagnetic data showing a major north-south trending structure with north-east trending cross faults. Structural mapping at Hagenhof shows the copper mineralisation to be hosted within the axial planes of steep, overturned east-north-east striking anticlines, refolded by later north-north-east trending cross folds.



Figure 1: Location of the Hagenhof, Katerina and Joubira Projects, Namibia.

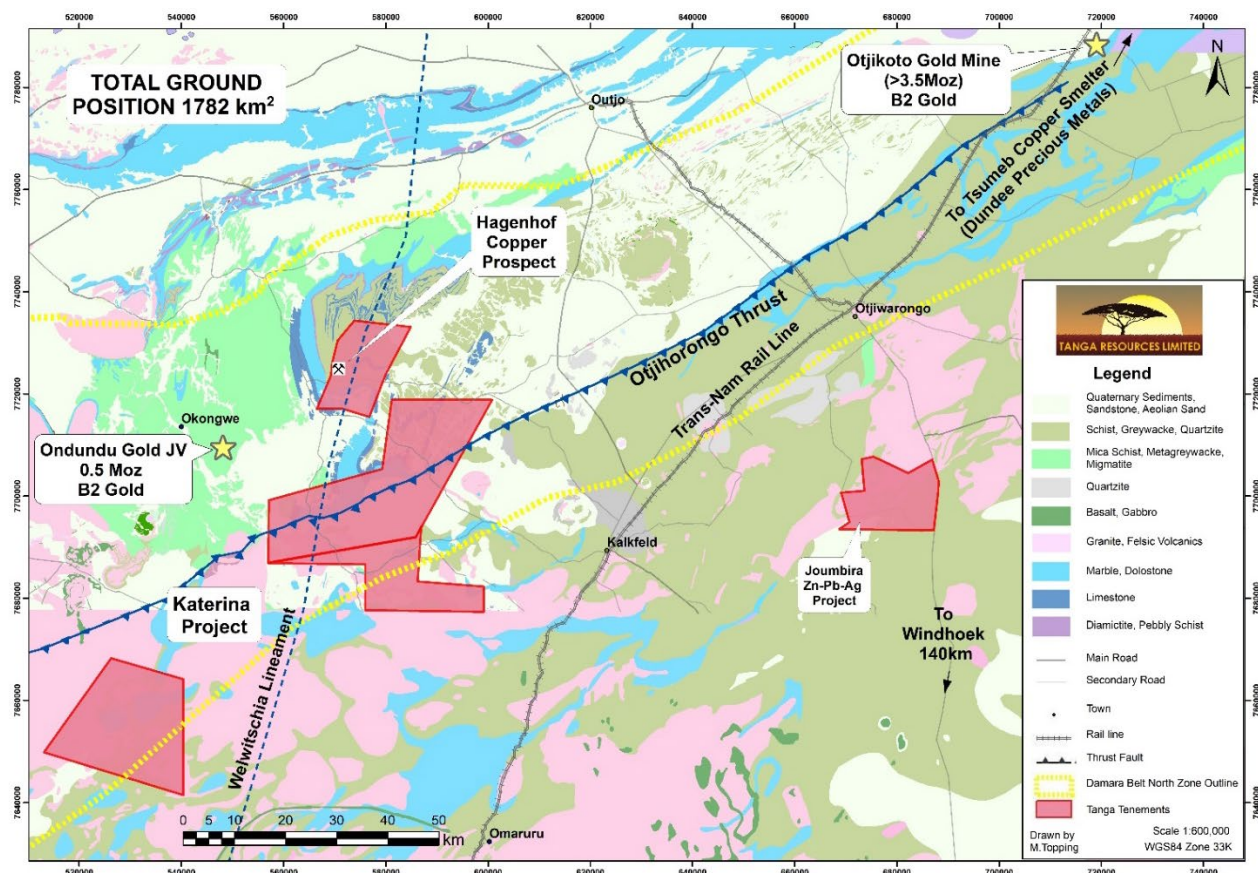


Figure 2. Location of the Hagenhof Project (EPL6226) and to Katerina Licences (EPL 4818, EPL 4833 and EPL 7246) within the Damara Belt and proximity to the Joubir Zinc Project (EPL4782), Namibia. Totalling over 1,700km²

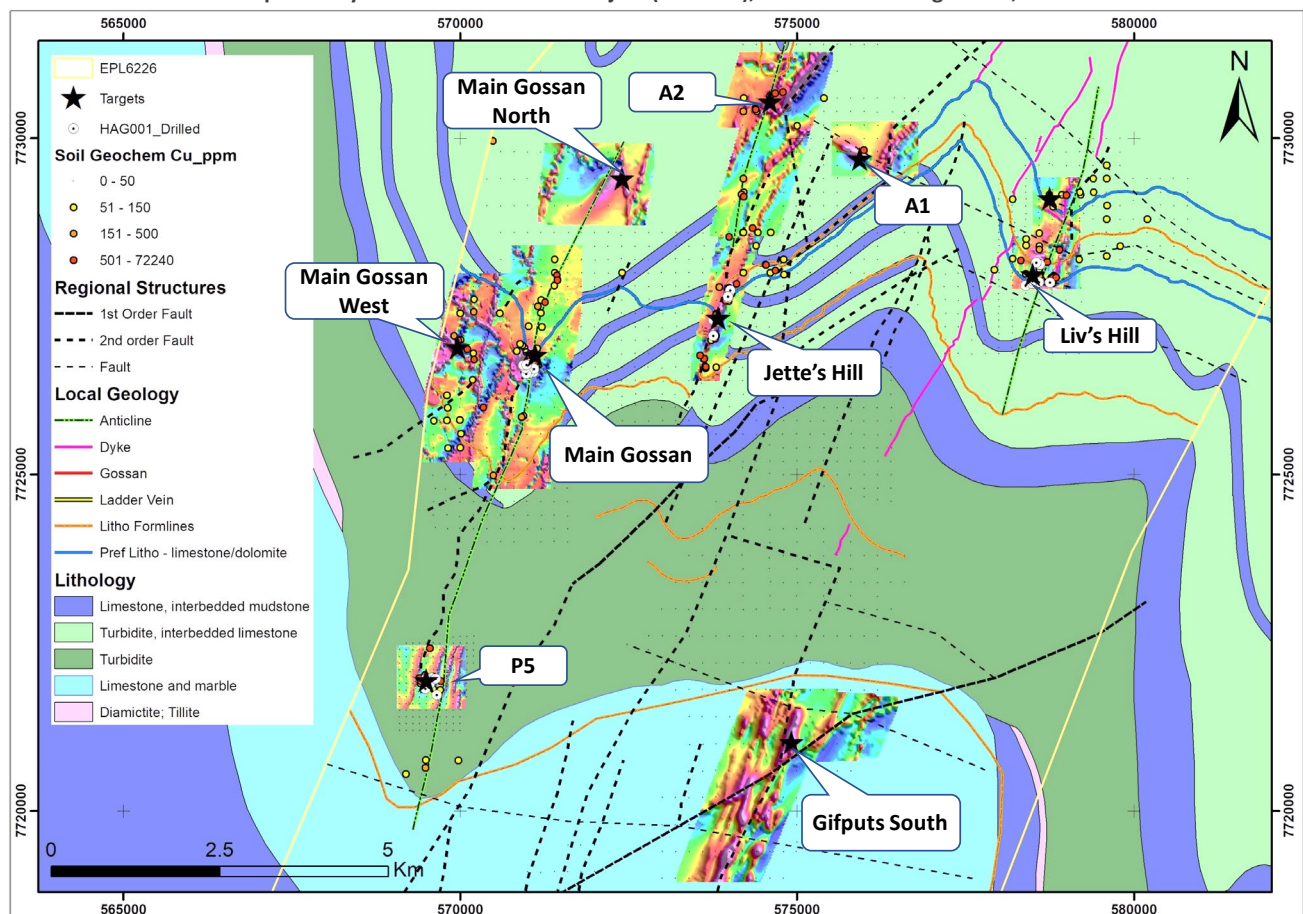


Figure 3. Additional copper targets identified from ground magnetics at Hagenhof Copper Project.



Activities during the quarter

Main Gossan

The Company received the final assay results from the maiden drilling program at Main Gossan (which commenced in June) and targeted the down plunge extension of copper mineralisation intersected in HDD002 (17m @ 0.82%Cu from 111m) and HDD004 (24m @ 0.54%Cu from 86m). These assay results have confirmed the drilling **intersected copper mineralisation which remains open down plunge**, with HRC025 intersecting grades of **up to 1m @ 2.97% copper**.

HRC023 drilled 100m north of HRC025 into the upper plunge direction of the Main Gossan intersected:

- **14m @ 0.56% Cu** from 48m to 62m including **4m @ 0.83% Cu** from 48m to 52m.

HRC025 was drilled up-dip of HDD004 and intersected:

- **8m @ 0.72% Cu** from 85m to 93m (including **2m @ 2.02% Cu** from 87m to 89m)

Cobalt values of **930ppm Co (0.093%)** were also intersected from 87m to 88m, associated with **copper levels at 2.97%**. This mineralisation consists of coarse grained chalcopyrite in pyrrhotite breccia.

A lower intersection of **2m @ 0.53% Cu** was made from 104m to 106m

HRC026 drilled 175m to the southwest of HRC025 intersected:

- **9m @ 0.51% Cu** from 105m to 114m.

This hole had to be abandoned due to high water flow and will be followed up by diamond drilling shortly. There has been no drilling across the 175 metre gap between holes HRC025 and HRC026 (see Figure 4).

A phased, follow up RC and Diamond drilling program of an initial 3,000m commenced in December. This drilling is targeting the down plunge extension of copper mineralisation to the south west at Main Gossan and additional targets highlighted from the recent ground magnetics. Results from this latest round of drilling will be released to the market once the they been received.

Ongoing ground magnetics identified a number of additional copper targets at Hagenhof, **including targets both to the west and north of Main Gossan**. These new targets identified include:

- Main Gossan North, **a 500m magnetic anomaly plunging SE along the hinge of the Main Gossan anticline** and located two kilometres to the north on the same mineralised structure that hosts Main Gossan. Refer to Fig.7.
- Main Gossan West, **located one kilometer west of Main Gossan**, with quartz-carbonate-malachite vein mineralisation observed in old trenches, extending from Main Gossan hinge breccia, hosted along rheological contact zone.
- A1 target, a high priority drill target representing a **+500m magnetic anomaly under alluvial cover**. The NW-SE strike orientation of the magnetic body is associated with brecciated vein mineralisation elsewhere. The A2 target is located within an anticlinal fold hinge hosting magnetic and copper in soil geochemical anomalies **along a NW-SE striking structural feature**. The feature extends towards, and is likely connected to, the A1 target. Refer to Fig. 9 which outlines the potential structural link (highlighted by the white line) between the A1 and A2 targets.
- Giftputs target located in the south of Hagenhof, the majority of area is highly calcretised, masking the soil geochemistry. However the **ground magnetics has identified multiple magnetic anomalies**. Refer to Fig. 10.

Two large loop Time Domain Electro Magnetic surveys, each a 400m x 800m loop size with six lines per loop have been completed at Hagenhof; one over the Main Gossan prospect and the other over the Liv's Hill prospect. The loop at Main Gossan was positioned to map the response of the Main Gossan mineralisation and the down-plunge extension to the south west. The loop at Liv's Hill was positioned to map the response of the anomalous copper mineralisation returned from recent drilling.

A clear and prominent anomaly in the Z channel was detected at Main Gossan which confirms the ore shoot geometry indicated by recent drilling and ground magnetics modelling. The 3D model indicated by the electromagnetics suggests a plunging shoot dipping to the ESE and plunging SSW.

Planned activities for the March 2020 quarter

With the recent drilling at Hagenhof showing significant copper mineralisation at Main Gossan, and the TDEM highlighting the extensions down plunge to the south west, further follow up drilling has commenced.

A summary of the key activities planned work for the March 2020 quarter is as follows:

- RC and Diamond drilling at Main Gossan and additional targets (incl. Main Gossan North) highlighted from ground magnetics – ongoing, commenced during the December quarter, initial results pending
- Ground magnetics and maiden RC drilling at Katerina Gold Project
- Ongoing field work over Hagenhof and Katerina
- Regional project generation
-



Figures 4 & 5. Quartz carbonate veins observed in trench with ex-sulphides showing as malachite at Main Gossan West

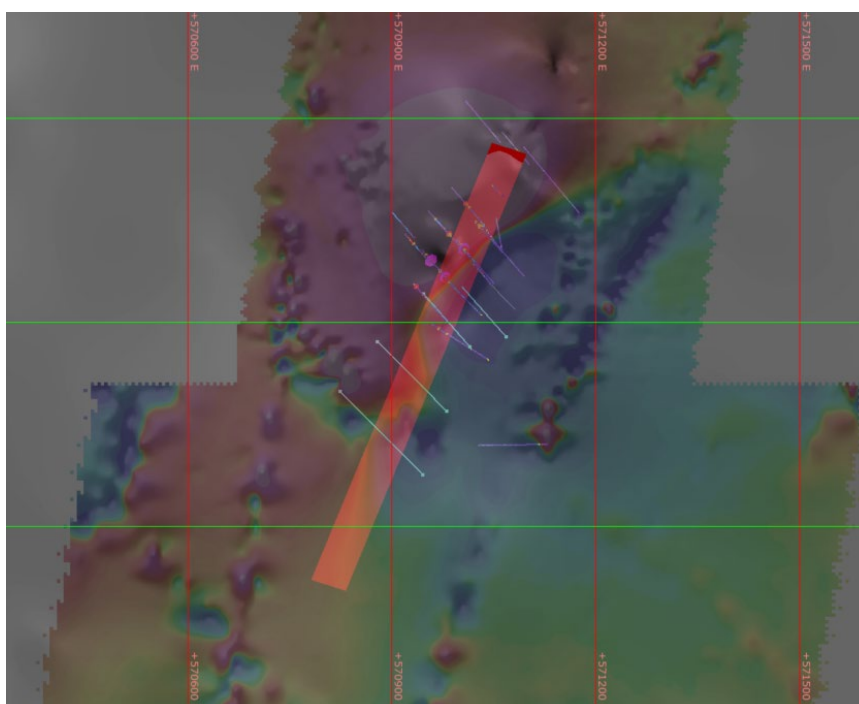


Figure 6: Magnetic anomaly at Main Gossan with interpreted EM conductor indicated from TDEM survey plunging to the SW. Drill traces indicate the proposed holes to test the plunge of mineralisation to the SW.

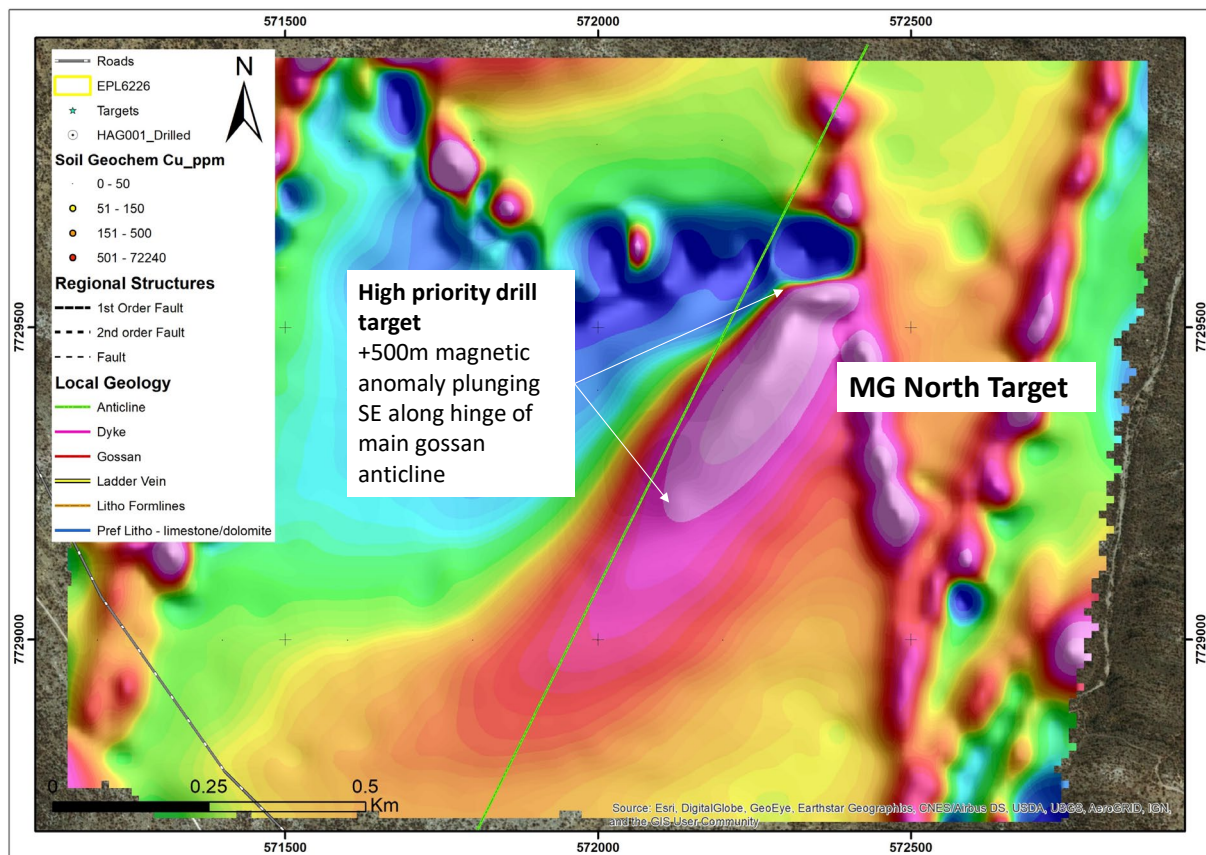


Figure 7: Ground magnetics highlighting a +500m anomaly at Main Gossan North Target, two kilometres north of Main Gossan

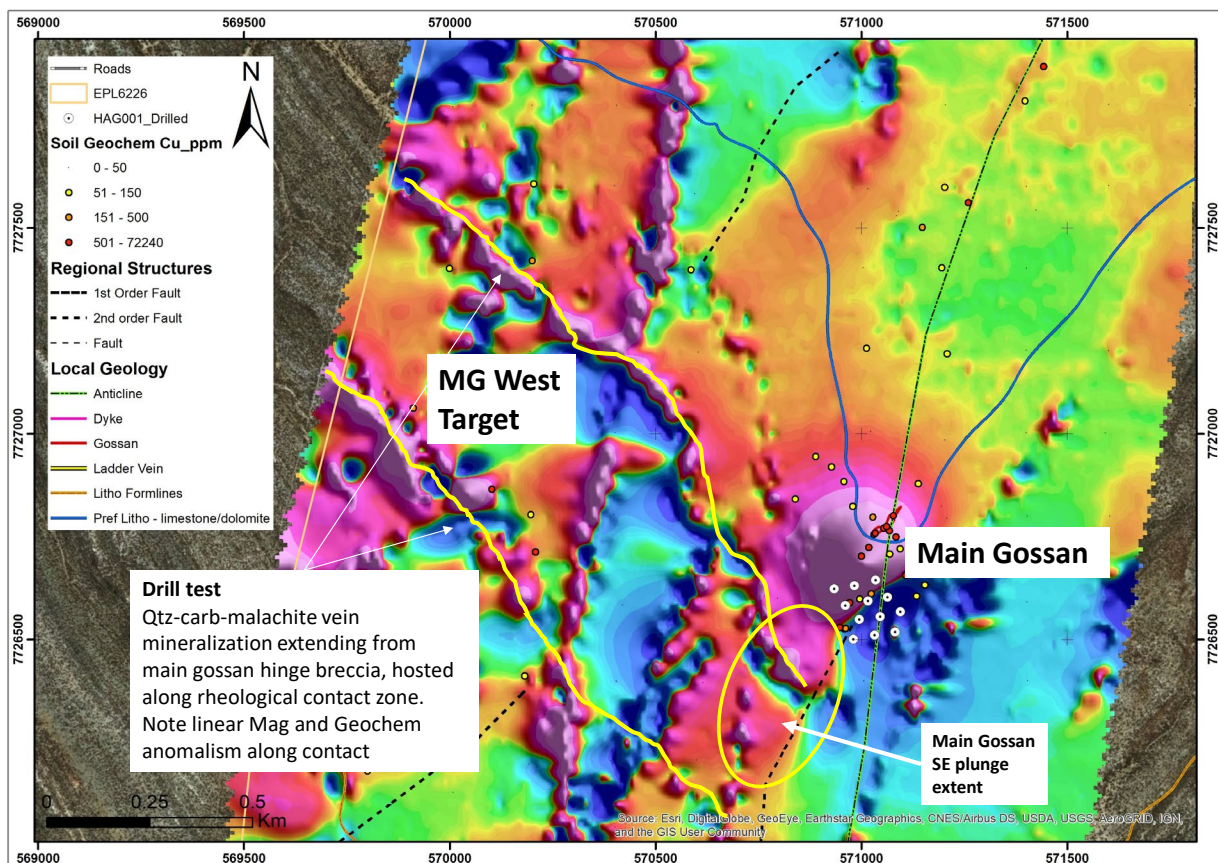


Figure 8: Ground Electromagnetic (TDEM) loop at the Main Gossan target and the southern plunge extension. Also showing the proximity to the new Main Gossan West Target

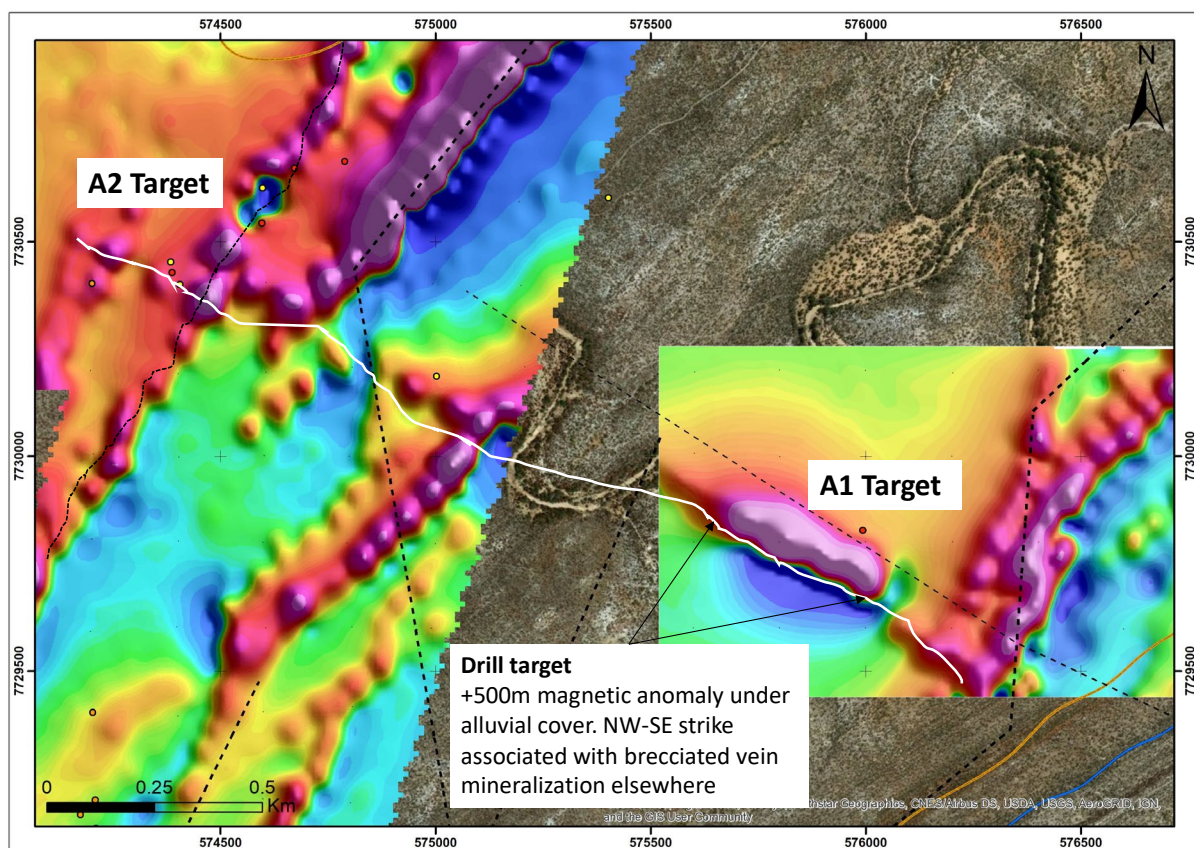


Figure 9: Ground magnetics over the A1 target, a prominent magnetic anomaly of +500m under alluvial cover, located on a major mineralised NW/SE structure. The white line highlights the potential structural link between A1 and A2 targets

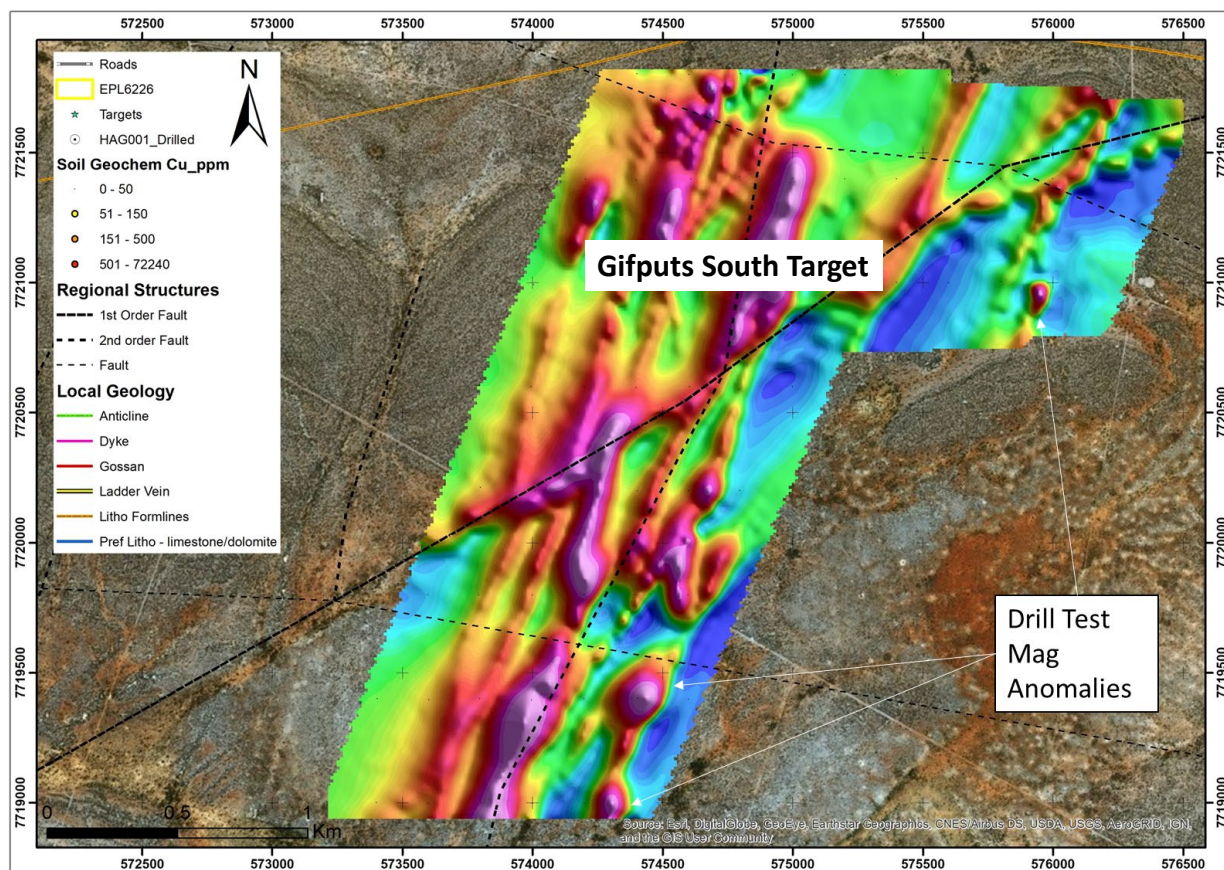


Figure 10: Gifputs target located in the southern part of Hagenhof. The majority of area is highly calcretised, however the ground magnetics has identified multiple magnetic anomalies.

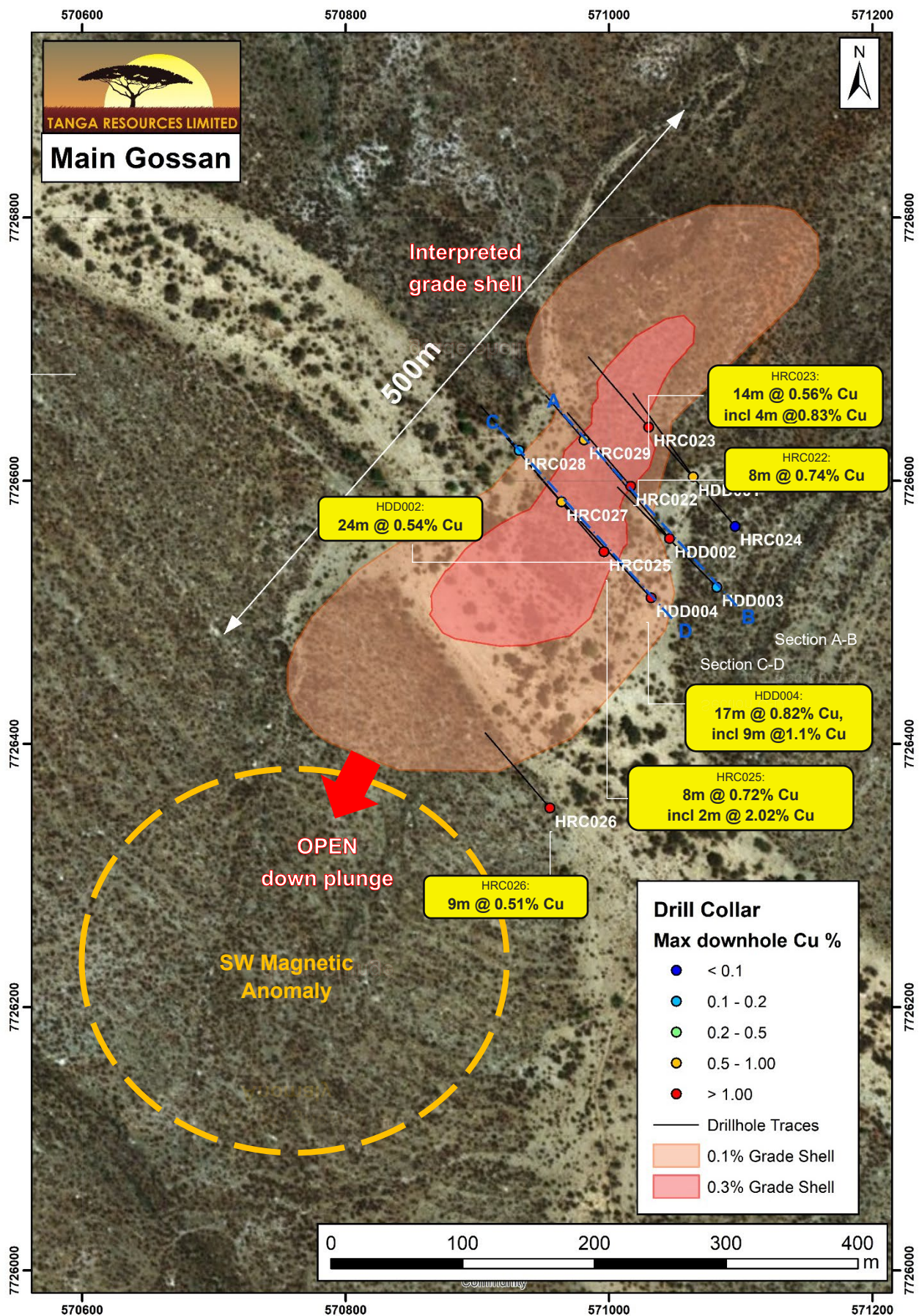


Figure 11. Outlined of interpreted copper mineralisation at Main Gossan from Leap Frog modelling of drilling results to date.

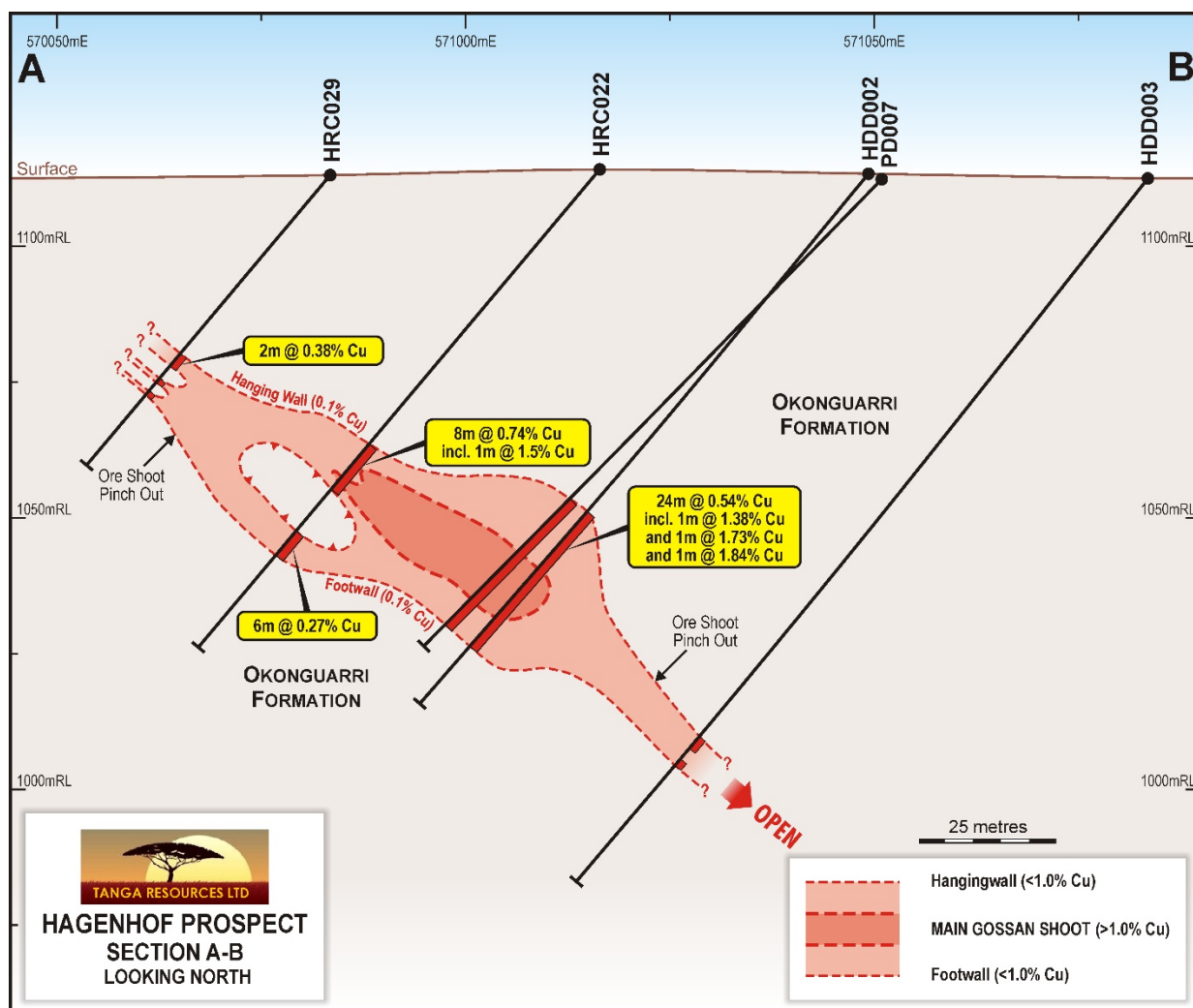
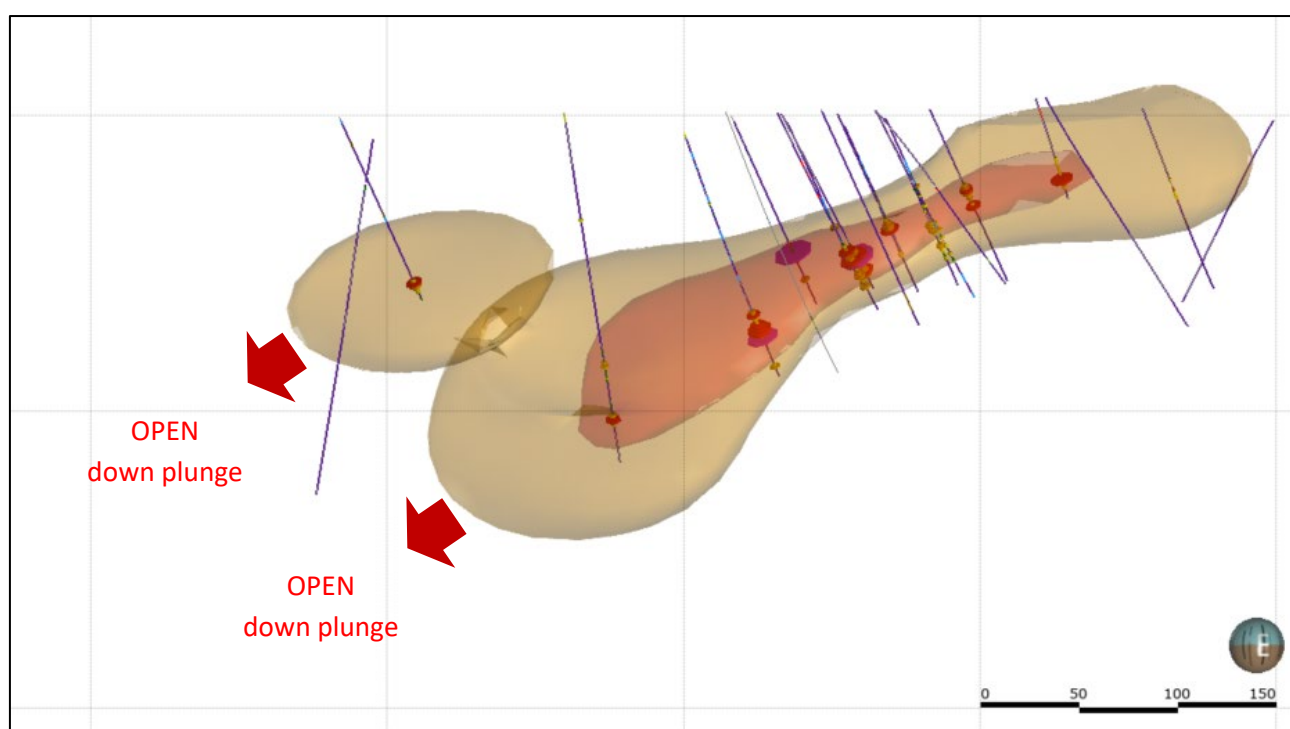
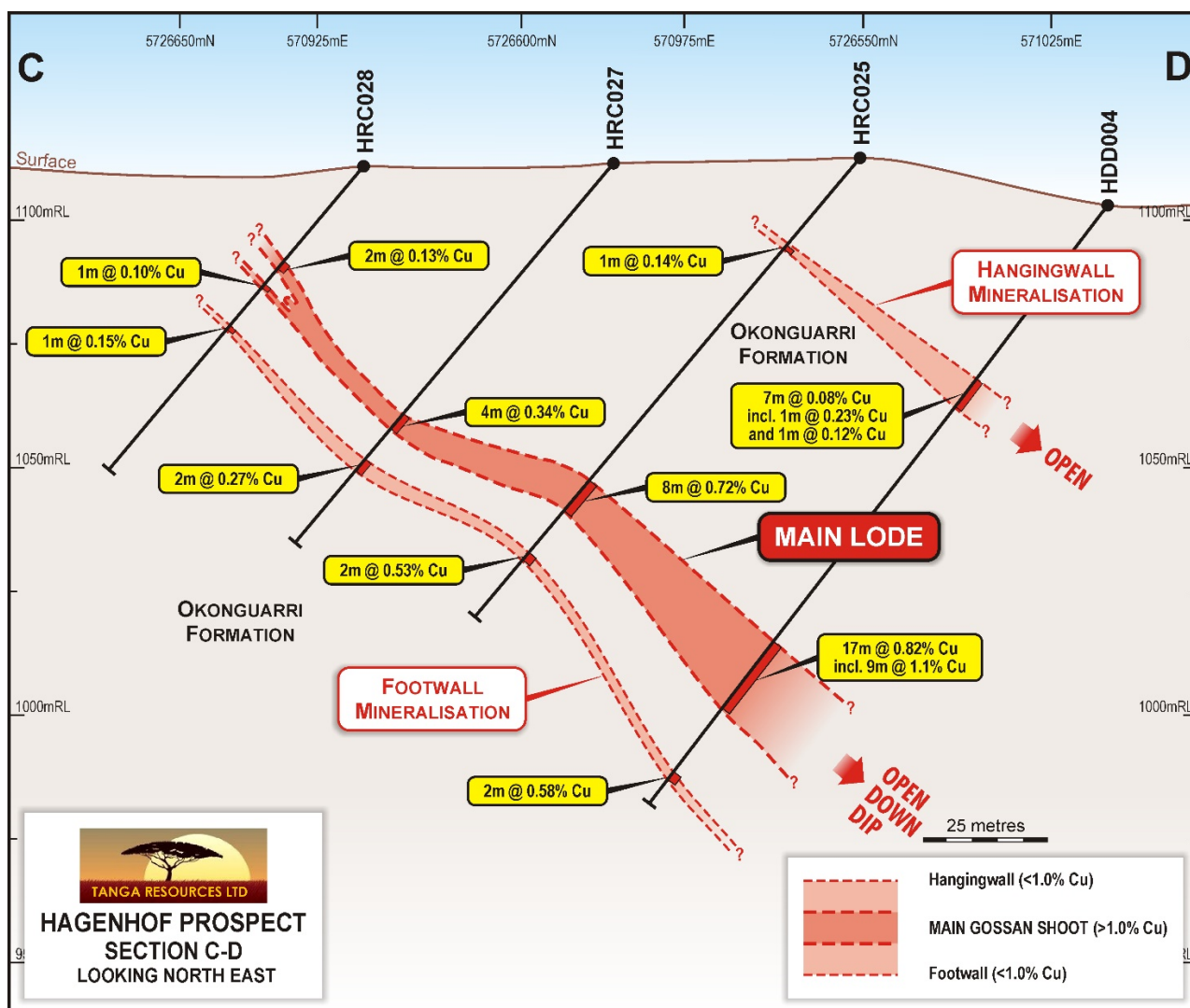


Figure 12. Cross section A-B looking north east at Main Gossan.



Liv's Hill

First pass drilling at Liv's Hill has been completed, testing a prominent magnetic anomaly coinciding with a large interpreted structural domal feature. Several RC holes drilled on the western side of Liv's Hill intersected copper mineralisation: chalcopyrite-pyrite magnetite in black biotitic schist and carbonate bearing greywacke and sandstone. The drilling intersected multiple shallow zones of narrow mineralisation, including **4m @ 0.32% Cu** from 10m (HRC010) and **1m @ 0.77% Cu** from 42m (HRC 012).

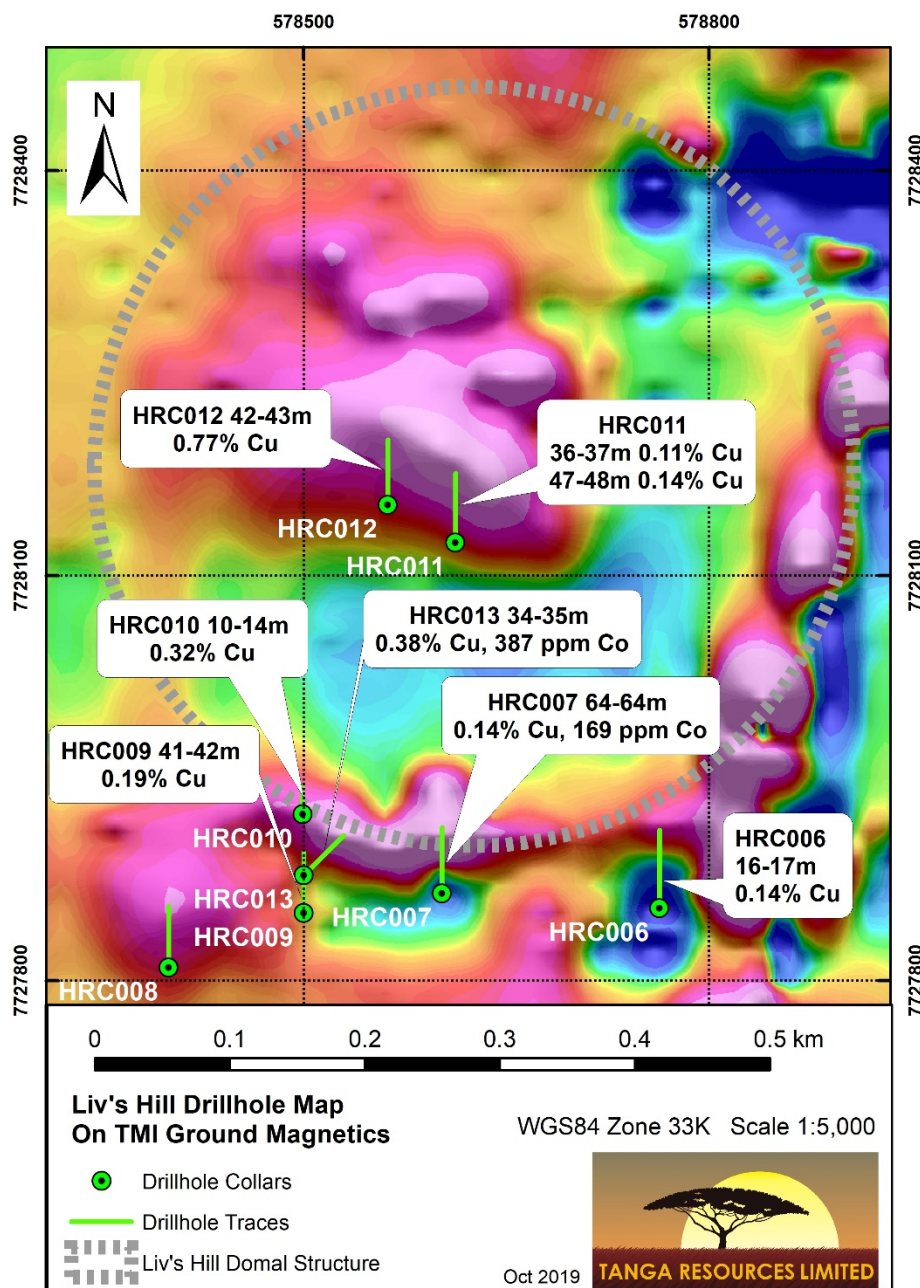


Figure 15: Drill hole locations and copper intersections at Livs Hill.

Katerina Gold Project (earn-in 80%), Namibia

The Katerina Gold Project, hosted within the Damara Metallogenic Belt in central northern Namibia, is located immediately south of the Company's Hagenhof Project. Several historic regional copper and gold occurrences are reported on the Licences, however there has been very little modern exploration. EPL 4833 is located on the major Otjihorongo Thrust with aeromagnetic data showing it is intersected by a NNE/SSW basement structure that continues north into the Hagenhof Project. B2 Gold's Ondundu Gold JV Project is ~10km north west of Katerina, its Otjikoto Gold Mine (>3.5Moz) is ~200km to the north east and QKR's Navachab Gold Mine (>5Moz) ~100km to the south

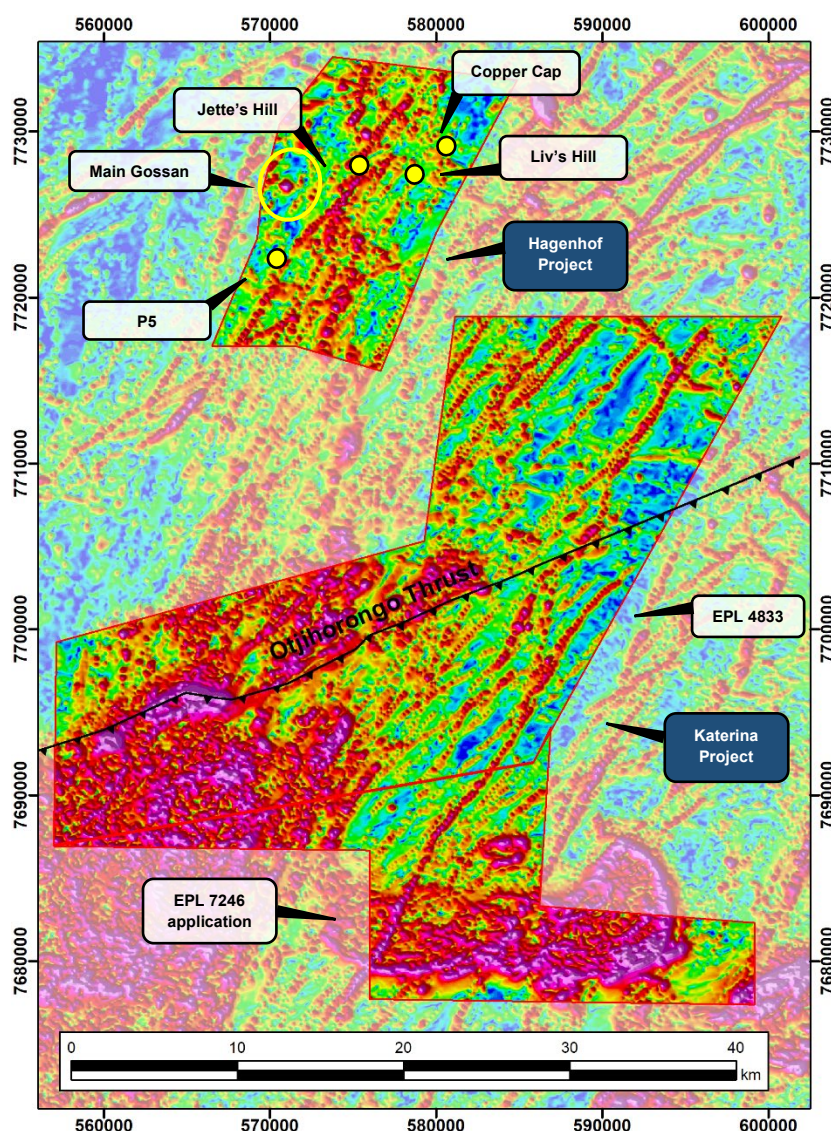


Figure 16. Regional aeromagnetic data over EPL 4833 and EPL application 7246 Katerina Project showing the major Otjihorongo Thrust intersected by the proximal NNE/SSW structure that continues north into the Hagenhof Project (EPL 6226).



Joumbira Zinc Project, Namibia

Joumbira Zinc Project (“Joumbira”) is an advanced, zinc-lead-silver project covering approximately 210km² and located in the highly prospective Damaran Belt, Namibia. Joumbira is located in central Namibia, approximately 190km by sealed road from the capital, Windhoek and 400km from the port of Walvis Bay. Joumbira has excellent infrastructure with the major service town Otjiwarongo located 50km to the north with existing grid power and the national railway line is in close proximity.

Activities during the quarter

No field work was completed during the quarter.

Hanang Gold Project, Tanzania

The Hanang Gold Project (“Hanang”) is a regional gold project located in Tanzania. The project is owned 99.95% by a Tanzanian subsidiary of Tanga and is located on a highly prospective and unexplored Archaean greenstone belt on the eastern margin of the +70 Moz gold endowed Lake Victoria Gold Field, host to world class deposits such as Geita (30 Moz) and Bulyanhulu (10.5 Moz). Further to the west of the project, on the same structural corridor, was Resolute’s Golden Pride Mine which produced over 2.2 Moz of gold.

Activities during the quarter

No field work was completed during the quarter.

CORPORATE

The Company continues to evaluate several other complementary precious and base metal project opportunities in Namibia for joint venture, earn-in and/or acquisition. The assessment of these projects is ongoing and confidential in nature. Further information shall be released as appropriate.

During the quarter CEO Matthew Bowles was appointed to the Board of Tanga as an Executive Director and long serving Non-Executive Director Mr John Jones AO retired from the Board following the Company’s AGM.

Cash on hand at the end of the quarter, was \$1.28m.

For additional information on Tanga and the Company’s project please visit: www.tangaresources.com.au

Contact details

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Executive Director & CEO
+61 8 9381 5686

John Stockley
Technical Director
+61 8 9381 5686

Competent Person Statement

The information in this report that relates to the exploration results, geology and geophysical interpretation was based on material compiled by John Stockley. Mr Stockley is a Member of the Australian Institute of Geoscientists and is a Director of Tanga Resources Limited. Mr Stockley has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which was being undertaken to qualify as Competent Person as defined in the 2012 Edition of the JORC “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the JORC Code). Mr Stockley consents to the inclusion in this report of the matters based on his information in the form and content in which it appears.

Previously Reported Results

There is information in this report relating to exploration results which were previously announced on 15 April 2019, 28 May 2019, 31 July 2019, 21 August 2019, 26 August 2019 and 24 September 2019. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

Appendix 1 – Exploration Interests

During the quarter, the Company had an interest in the following exploration licences:

I. Exploration Interests Held

Project	Tenement Number	Name	Status	Beneficial Interest	Area (km ²)
Tanzania					
Hanang	PL8208/2012	Wandela	Pending Renewal	99.95%	21.05
Hanang	PL9293/2013	Basuto	Current	99.95%	39.59
Hanang	PL9895/2014	Dorirojiki	Under Renewal	99.95%	19.78
Hanang	PL10570/2015	Singa Kubwa	Pending Renewal	99.95%	62.53
Hanang	PL10620/2015	Wandela Central	Pending Renewal	99.95%	23.74
Hanang	PL10865/2016	Iramba West	Current	99.95%	47.49
Hanang	PL10939/2016	Wandela East	Current	99.95%	23.74
Hanang	PL11060/2017	Singa North	Pending Renewal	99.95%	48.97
Namibia					
Joumbira	EPL4782		Current	10% (80% earn in)	210.58
Hagenhof	EPL6226		Current	100%	197.26
Katerina	EPL4833		Current	0% (80% earn in)	661.34
Katerina	EPL4818		Current	0% (80% earn in)	467.23
Katerina	EPL7246		Application	0% (80% earn in)	245.68

Total area of current tenements granted and under application = 2,068.98km²

II. Exploration Interests Acquired - Nil

III. Exploration Interests Disposed/Relinquished - Nil

Other than as disclosed above, no other tenements were acquired or disposed during the quarter, nor were there any changes to the beneficial interests in any of the tenements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

TANGA RESOURCES LIMITED

ABN

41 141 940 230

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(261)	(740)
(b) development		
(c) production		
(d) staff costs	(52)	(112)
(e) administration and corporate costs	(110)	(254)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(423)	(1,106)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities		

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	850	1,731
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	850	1,731

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	854	650
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(423)	(1,106)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	850	1,731
4.5	Effect of movement in exchange rates on cash held	(1)	5
4.6	Cash and cash equivalents at end of period	1,280	1,280

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	80	33
5.2 Call deposits	1,180	801
5.3 Bank overdrafts		
5.4 Other – Term deposit	20	20
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,280	854

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
65

Director fees and salary for executive director

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

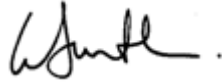
8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	
9.3 Production	
9.4 Staff costs	50
9.5 Administration and corporate costs	100
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	450

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer Quarterly Activities Report		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Refer Quarterly Activities Report		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: ...31 January 2020.....

Print name:Graeme Smith.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.