



28 September 2020

\$7 MILLION CAPITAL RAISING AND BOARD CHANGE POSITIONS TANGA FOR EXPLORATION SUCCESS

Strong show of support for Côte d'Ivoire focus

Highlights

- **\$7 million two-tranche placement to sophisticated and professional investors at 3.0 cents per share**
 - **Strong support from existing shareholders, while introducing new investors aligned with the Company's primary focus on Côte d'Ivoire**
 - **Well positioned to carry out systematic exploration on significant land package in Côte d'Ivoire and to continue to advance Namibian projects**
 - **Appointment of Andrew Pardey (ex-CEO of FTSE250 gold producer, Centamin plc – GBP\$1.8B market capitalisation) as Non-Executive Chairman to replace Nigel Lafferty who has stepped down**
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Tanga Resources Limited (ASX: TRL) (**Tanga** or the **Company**) is pleased to announce that it has received binding commitments for a two-tranche placement of 233.3 million shares at 3.0 cents per share to sophisticated and professional investors to raise \$7 million (before costs) (**Placement**).

Funds raised from the Placement will be used primarily to conduct exploration at the Company's recently acquired joint venture interests in Côte d'Ivoire, to continue work to advance the Damara Project located in Namibia, for general corporate purposes and working capital.

In addition, to strengthen the Board's west African gold exploration expertise, the Company is pleased to announce the appointment of Mr Andrew Pardey as Non-executive Chairman. Mr Pardey's career in the mining industry spans over 30 years, with experience in exploration, project development, construction and operations, having held senior positions in Africa, Australia and other parts of the world, including Guinor Gold Corporation and Ashanti Goldfields, now AngloGold Ashanti. Between February 2015 and December 2019, he was Chief Executive Officer of Centamin Plc which holds the Tier 1 Sukari Gold Mine. Mr Pardey also served as General Manager Operations at Sukari before his previous appointment as Chief Operating Officer in May 2012. He was a major driving force in bringing Sukari into production, having joined during the mine's construction phase, and was instrumental in the successful transition of the operation through construction and into production. During his time with Centamin, Mr Pardey gained considerable experience in Côte d'Ivoire.

Mr Pardey replaces Mr Nigel Lafferty who has stepped down from the Board. The Company thanks Mr Lafferty for his strong contribution during his time with Tanga.

Incoming Chairman, Andrew Pardey, commented:

"The strong demand from a range of new and existing investors reflects the level of interest in the Company's recently acquired land packages in Côte d'Ivoire and allows Tanga to be able to proceed forward with the strategy of responsible, systematic exploration unlocking value across the portfolio for all of our stakeholders."



Placement details

Tranche 1 of the Placement will raise approximately \$1.03 million from the issue of 34.2 million shares at a price of 3.0 cents per share (**Tranche One Placement**). The Tranche One Placement will utilise the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A, with 20,510,180 shares to be issued under Listing Rule 7.1 and 13,673,453 shares to be issued under Listing Rule 7.1A. Settlement of the Tranche 1 Placement is expected to occur on or around Monday, 5 October 2020.

Tranche 2 of the Placement will raise approximately \$5.97 million from the issue of 199.1 million shares at a price of 3.0 cents per share (**Tranche Two Placement**), subject to shareholder approval to be sought at Tanga's Annual General Meeting which will be held in November. Directors subscribed for 2.2 million shares under the Placement, the issue of which is also subject to shareholder approval.

The Placement issue price of 3.0 cents represents a discount of 18.8% to the 15 day VWAP of 3.69 cents and an 18.9% discount to Tanga's last close price of 3.70 cents on 23 September 2020.

Shares issued under the Placement will rank equally in all respects with existing Tanga fully paid ordinary shares. Following completion of the Placement Tanga will have 370.1 million fully paid ordinary shares on issue, subject to the receipt shareholder approval for the Tranche Two Placement.

Argonaut Securities Pty Limited and Ashanti Capital Pty Ltd acted as Joint Lead Managers to the Placement and will receive a fee of 6% on the funds raised by the Joint Lead Managers. The Placement is not underwritten. Under the terms of the Placement, the Joint Lead Managers will also receive a total of 6,000,000 unlisted options (Options) exercisable on or before 30 September 2024, of which 3,000,000 will be exercisable at 5.0 cents per share and 3,000,000 will be exercisable at 10 cents per share. Tanga will seek shareholder approval at the annual general meeting (**AGM**) to issue the Options to the Joint Lead Managers. No other fees are payable to the Joint Lead Managers.

A further 17,510,196 options are proposed to be issued to directors (**Director Options**), which will be subject to shareholder approval at the AGM:

- 8,755,098 exercisable at 5.0 cents, expiring 30 September 2024; and
- 8,755,098 exercisable at 10.0 cents, expiring 30 September 2024.

An additional 14,838,971 options are proposed to be issued to executives and key consultants under the Company's Option Plan subject to approval of the Tranche Two Placement and the issue of the Director Options at the AGM:

- 7,419,385 exercisable at 5.0 cents, expiring 30 September 2024; and
- 7,419,385 exercisable at 10.0 cents, expiring 30 September 2024.

An indicative timetable for completion of the Placement is shown in the Table below:

Milestone	Indicative Date
Commencement of Trading Halt	Thursday 24 September 2020
Resumption of trading on ASX	Monday 27 September 2020
Settlement of Tranche One Placement	Monday, 5 October 2020



Milestone	Indicative Date
Allotment of Tranche One Placement Shares	Tuesday, 6 October 2020
Annual General Meeting	November
Settlement of Tranche Two Placement	November
Allotment of Tranche Two Placement Shares	November

This announcement has been authorised by the Board of Tanga Resources Limited.

For further information, please contact:

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