



Tartana expands its portfolio, creates cashflow and plans for a liquidity event

9 November 2020

Dear Shareholder

You will be pleased hear that Tartana Resources is moving forward on several fronts which are continuing to build a solid foundation for the Company.

These includes the signing of a non-binding heads of agreement for a back-door listing on the ASX which is expected to create liquidity for shareholders and raise funds to accelerate our drilling activities in 2021. We have been expanding our Chillagoe footprint with new mining lease and exploration permit applications on top of the recent acquisition of the Mother Lode tenements and securing an option over the Nightflower Silver Project. We believe all these leases contain exciting copper/gold/silver projects where drilling has the potential to extend existing resources or define new resources.

Under our cashflow initiatives, we have completed our first shipment of Zeehan low grade zinc furnace slag/matte and, as we prepare for the second shipment, we are seeking staged permitting in order to sell the remainder of the resource. Meanwhile at the Tartana mine site we have completed a sampling program of the heaps to confirm our expected recoverable copper grade. In addition, we have completed a soil survey to identify the extent of the gold mineralisation at the Valentino project nearby.

Exploration/Resource Initiatives

We are pleased to announce that Riverside Energy (QLD) Pty Ltd, a wholly owned subsidiary of Tartana Resources Limited, has applied for two new mining leases and one exploration permit covering the Cardross copper project and the Mountain Maid gold project, both approximately 35 km west of our Tartana Mining leases.

These projects are significant to Tartana Resources as they have potential to create synergies with the restart of our existing copper sulphate plant, the scope for the establishment of a new gold heap leach operation at the Mountain Maid project location and the medium term option of developing a processing plant with flotation capacity to treat copper sulphide ores from both Cardross and Tartana mine sites.

As part of the applications, Tartana has reworked drilling data at Cardross to provide the following inferred resources using a 0.2% Cu cut-off grade:

- 266,709 @ 0.47% Cu (oxide)
- 1,629,830 t @ 0.58 % Cu & 0.15 g/t Au (sulphide)

At Mountain Maid, previous resource estimates conducted by Hellman and Schofield reported an inferred resource of:

- 72,000,000 tonnes at 0.23 g/t Au for 532,000 oz Au using a 0.10g/t Au cutoff grade, or
- 21,000,000 tonnes at 0.38 g/t Au for 257,000 oz Au at a 0.25g/t Au cutoff grade

The Mountain Maid project was discovered by Cyprus Gold Australia in the 1996 with the discovery hole (MD 4) reporting 275 m at 0.3 g/t Au and which includes 60 m @ 0.7 g/t, therefore highlighting the potential large size of the mineralising system (ref. CR28244 open file).

The synergies with both projects involve the potential mining of Cardross to provide copper ore which can be trucked to Tartana for processing using our existing facilities while gold mineralisation recently identified at the Valentino project on the Tartana leases could be backhauled to a proposed new gold heap leach project located at the Mountain Maid site.

Independent of the mining lease applications Riverside Exploration (QLD) has also applied for an exploration permit across the broader area although this is subject to competing applications. Nevertheless, Tartana hopes to have advantage over these competing applications given it has a plant capable of treating new discoveries of copper mineralisation more rapidly.

These applications complement recent Tartana announcements including:

1. The acquisition of Mother Lode Pty Ltd which was announced in July and holds two highly prospective exploration tenements; the Bellevue/Dry River Project north of Chillagoe and the Dimbulah Porphyry Copper Project, east of Dimbulah. The Bellevue/Dry River project covers the historic OK Copper Mine area which had some excluded areas carved out as historic mining leases. These excluded areas have recently become available and Tartana has been quick to apply for these additional areas to be incorporated within the Bellevue/Dry River tenements (see Figure 2).
2. Acquired an option over the Nightflower Silver Project northeast of Chillagoe.
3. Identified a gold zone at or close to surface at Valentino which may provide gold mineralisation suitable for heap leach processing. This mineralisation also contains an underlying copper-gold mineralisation which may be amenable to conventional processing.

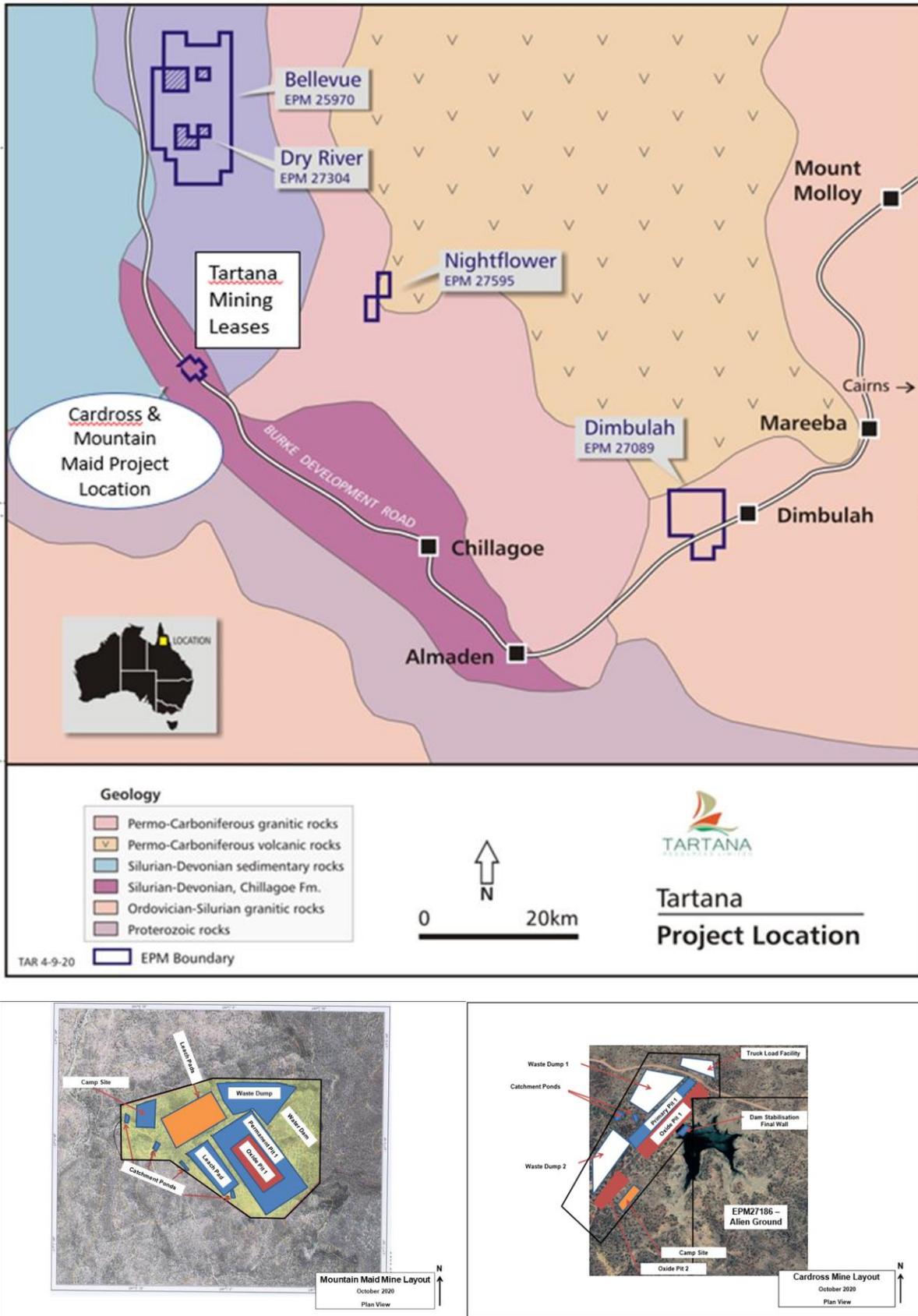
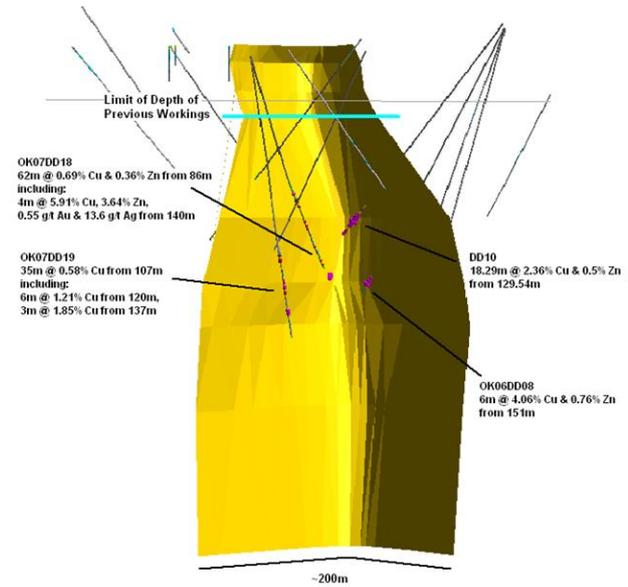
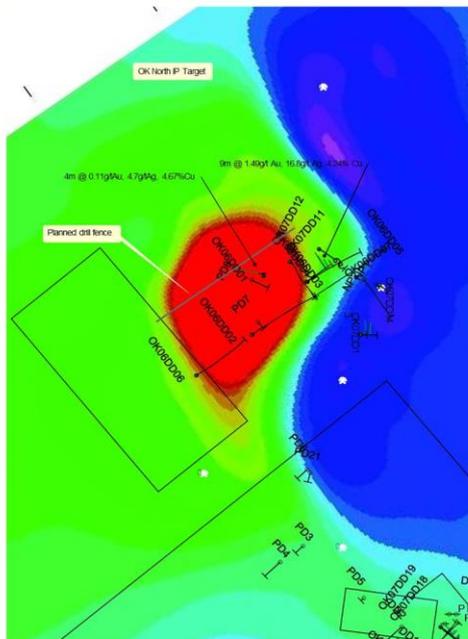


Figure 1. Cardross and Mountain Maid location and proposed mine layouts.

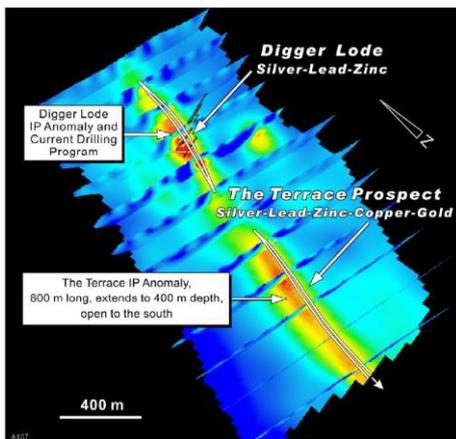


NOTE - Yellow surface is folded chert unit which acts as marker.

OK Mine Cu-Zn-Au Target (to 250m below surface)

Figure 2a. OK North Prospect (IP anomaly with only two drill holes)

Figure 2b. The nearby OK Mine orebody as defined by Axiom Mining in 2008 is part of the new application.



Hole No.	From (m)	To (m)	Interval (m)	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Copper (%)
NF08DD17	152.3	154.2	1.9	164.4	0.18	3.32	0.86	0.30
	154.2	154.9	0.7	24.8	1.41	0.56	0.23	
NF08DD18*	144	153	9	62.2	0.21	1.25	0.8	
including	151	153	2	158.7	0.34	2.79	1.15	0.33
NF08DD19	70	109	39	181	0.32	4.4	1.16	
including	93	102	9	506	0.3	12.6	1.46	0.41
including	98	102	4	769	0.61	22.4	2.23	0.5
including	105	107	2		2.5			
NF08DD20*	142	147	5	59.3		1.54	0.8	
including	142	144	2	121	0.21	3.35	1.1	
NF08DD21*	213	215	2	110.7	1.39	1.03	2.59	0.79
	218	219	1	58.8	12.8			
NF08DD22*	275	277	2	329.5	0.08	10.5	3.99	0.2
NF08DD23*	433.8	436.6	2.8	60.1	0.69	1.76	0.35	0.14
	438.8	442.8	4	49.7	1.24	1.12	0.35	
NF08DD24*	76	79	3	51.8		1.28	1.6	

* Denotes drill hole with assay results not previously reported

Figure 3. Nightflower Silver Project – IP anomalies and significant intersections from the Digger Lode (the Terrace IP anomaly has never been drilled). From Axiom ASX release dated 31/10/2008.

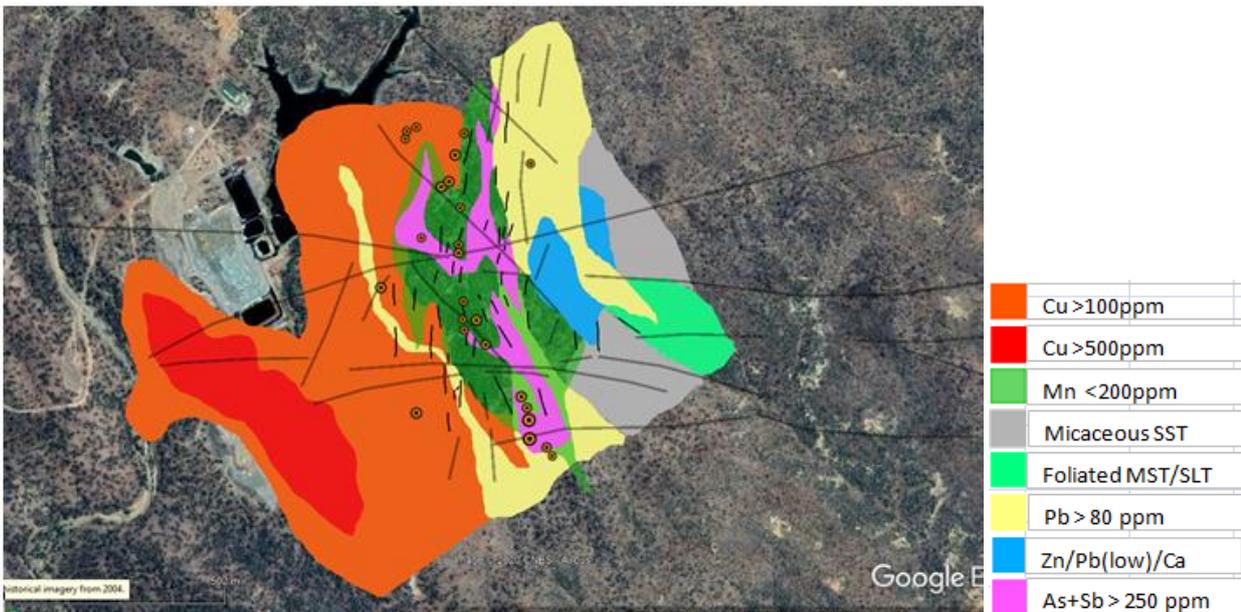
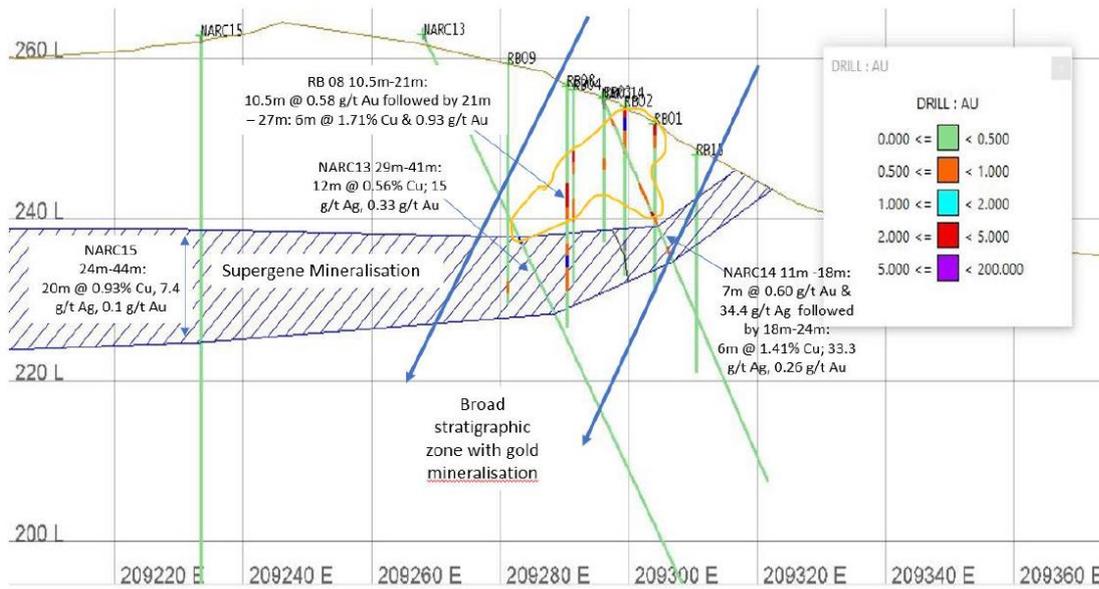


Figure 4a. Near surface gold mineralisation at the Valentino project within the Tartana mining leases. 4b, Results from a recent soil geochem survey which highlights a prospective anomalous zone in pink (high As & Sb) and which coincides with the gold mineralisation evident in the cross section in 4a above.

Overall, we believe our expanded copper-gold exploration portfolio in the Chillagoe region places the Company in an exciting position to generate shareholder value with our proposed drilling programs in 2021.

Our Cash Flow Projects

As announced in August 2020 Tartana secured an agreement with MCC Nonferrous Trading LLC to export Zeehan low grade furnace slag/matte in a contract potentially worth US\$20 million in revenue. The first 22,000 tonne trial shipment was completed in late September 2020 and a second 22,000 tonne trial shipment is scheduled to be exported to Korea Zinc in late November 2020.

Tartana is in the process of applying for a permit to export the remaining tonnage in the Zeehan slag stockpile which is envisaged to extend over a two-year period. Our environmental consultants have lodged a Notice of Intent with the Tasmanian Department of the Environment and we are preparing the application to the West Coast Council.

On the mainland, we have continued work on the potential restart of the copper sulphate plant at the Tartana mine. We carried out a sampling programme to test the dumps which has confirmed our expected recoverable copper grades. We have also established the cost of upgrading the plant electrics and have also received a high-level engineering quote for the refurbishment of the plant. We will now commission a detailed engineering quote as well as advance negotiations with an offtaker regarding financing the restart of the plant which is still expected to cost less than \$500,000.



Figure 5. Loading Zeehan low grade furnace slag/matte at the mine site and loading the MV Dalarma at the Burnie Port.

Board Changes

Both Peter Rohner and Craig Nettlebeck have resigned from the Tartana Board due to their increasing work commitments associated with GBM Resources (for Peter) and Dover Metals (for Craig). The Board thanks both Peter and Craig for their contributions to the Company over the past two years and notes that it is in the fortunate position to be able to secure their consulting services as required.

Discussions on a proposed backdoor listing

Tartana Resources has signed a non-binding agreement with the board of a company that is listed on the ASX but currently suspended and is interested in undertaking a back-door listing for Tartana by way of a reverse takeover (“RTO Entity”). The RTO Entity has engaged MMR Corporate Services to advise on, facilitate the process and manage the capital raising associated with the reverse takeover (RTO). The process has commenced with an application for In Principle Advice from the ASX to obtain confirmation of the terms of

the backdoor listing, lodged last week, and will include the calling of a general meeting of the RTO Entity's shareholders to approve the RTO.

Key features of the proposal are, subject to the ASX's advice and approval by the RTO Entity's shareholders, the following:

1. Tartana shareholders will be offered:
 - a. one RTO Entity share for each Tartana share; and
 - b. one 5 year option with an exercise price of 40 cents for every 5 shares offered to Tartana shareholders.
2. The 'value' of the offer will be \$13.4 million based on a 20 cent share price.
3. The RTO Entity will also seek to raise \$4,250,000 by issuing 20 cent shares and with one 5 year option with an exercise price of 40 cents for every 5 shares, in order to re-list.
4. The market capitalisation of the RTO Entity after raising \$4,250,000 and completing the acquisition of Tartana Resources will be approximately \$20 million.

The intended time frame for the relisting of the RTO Vehicle on the ASX is Q1 2021.

While the proposed listing is intended to provide liquidity for shareholders, the funds raised will be largely directed towards accelerating our drilling activities on our strategic Chillagoe tenement position. A priority will be to increase our copper and gold resource position.

Seed Capital raising

To sustain operations for the next few months as the new Zeehan slag permitting is progressed, Tartana Resources will approach sophisticated and professional investors to conduct a private placement over the next two weeks. The capital raising will be at 12.5 cents per share and we are targeting raising approximately \$500,000 with existing interest already standing at approximately \$200,000. If you are interested in participating, please give me a call or email reply.

Yours sincerely,



Dr Stephen Bartrop
Executive Chairman

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