21 February 2018

HIGH GRADE INTERSECTIONS FROM QUARTZ BORE DRILLING

- **QBDD0001 intersects 7m at 6.44% Cu + 3.21 % Zn including 2m at 14.3% Cu + 6.33%Zn within a broader intersection of 17m at 2.95% Cu + 1.48 % Zn.**
- **Interpreted to represent a copper-rich volcanic centre within the Balla Balla volcanogenic massive sulphide (VMS) system**
- **Downhole geophysical survey on QBDD002 detects potential extension to mineralisation intersected in historical drillhole BBD009 (which returned 15m at 5.92%Zn and 0.80% Cu)**
- **Review of all drilling underway based on both assay results and geological/geophysical logging, with focus on near surface mineralisation with the potential to delineate open pittable Mineral Resources.**

Tando Resources ("**Tando**" or "**the Company**") is pleased to update the market with the results of the maiden drilling programme at its 100% owned Quartz Bore Project, in the Pilbara region of Western Australia.

Drillhole QBDD0001 intersected a high grade copper rich zone with assays returned of:

- 17m at 2.95 % Cu + 1.48% Zn from 340.5m,
  - incl. 7m at 6.44% Cu + 3.21% Zn,
  - incl. 2m at 14.3% Cu + 6.33% Zn.

(All drilling is shown on Figures 1 & 2 and detailed in Appendix 1).

In addition surveying of QBDD0002 detected a strong, coincident, DHEM and DHMMR anomalies interpreted to represent the extension of mineralisation intersected in historical drillhole BBD009 (which returned 15m at 5.92%Zn + 0.80% Cu, refer ASX Release).

Drilling of DHEM and DHMMR anomalies at the adjacent Salt Creek deposit (owned by Venturex Resources (ASX.VXR)) intersected grades including 18.7m at 2.42% Cu and 9.85m at 8.76% Zn (ASX.VXR Release 12 January 2017).

Initial results from the downhole surveying, and specifically the success of the DHMMR technique, led the Company to complete a surface MMR survey at the Balla Balla Prospect while the equipment was available at the end of the drilling programme. Data from this survey is being finalised and interpreted, is anticipate to assist in identifying near surface extensions to the Balla Balla VMS system.

The Balla Balla Prospects were discovered via airborne EM with no detailed ground or downhole surveys being completed until the surveys carried out by Tando. The Company will consider implementing MMR surveys at the West Balla and East Balla Prospects should the Balla Balla survey be successful.

The high grade intersection in QBDD0001 is interpreted to represent a volcanic centre within the VMS system at Balla Balla due to its copper-rich content. Drillholes QBDD0003 and QBDD0004 detected broad intervals of anomalous zinc (10m and 17m respectively) which delineate the distal portions of the same VMS system.

The information gained from the Company's drilling is being fed into a new interpretation for the mineralised VMS system at Balla Balla enabling a review of all drilling completed on the Quartz Bore Project. The new interpretation will aid targetting of future drilling, which will both test the targets defined above as well as focus on near surface mineralisation and the potential to delineate open pittable Mineral Resources.

Managing Director Bill Oliver commented:

> *"Our maiden drilling programme at Quartz Bore has given us a substantial dataset and important new insight into the controls on mineralisation. By systematically drilling along the strike of the deposit we are better placed to interpret the high grade zinc and copper results from historical drilling, enabling more efficient infill drilling as well as identifying priority extensional targets."*

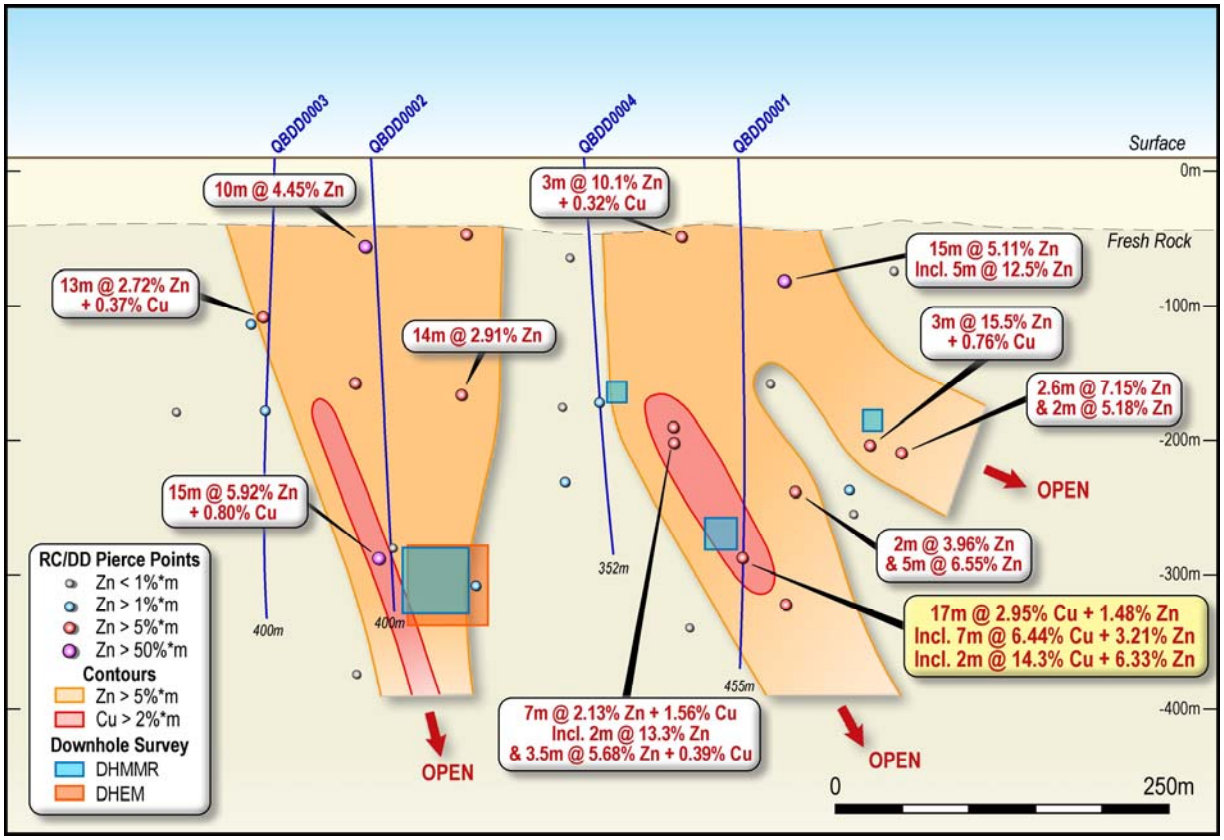

Figure 1. *Long section showing results from Tando drilling and downhole geophysical surveys. Pierce points coloured by Zn grade * metres intersected.*

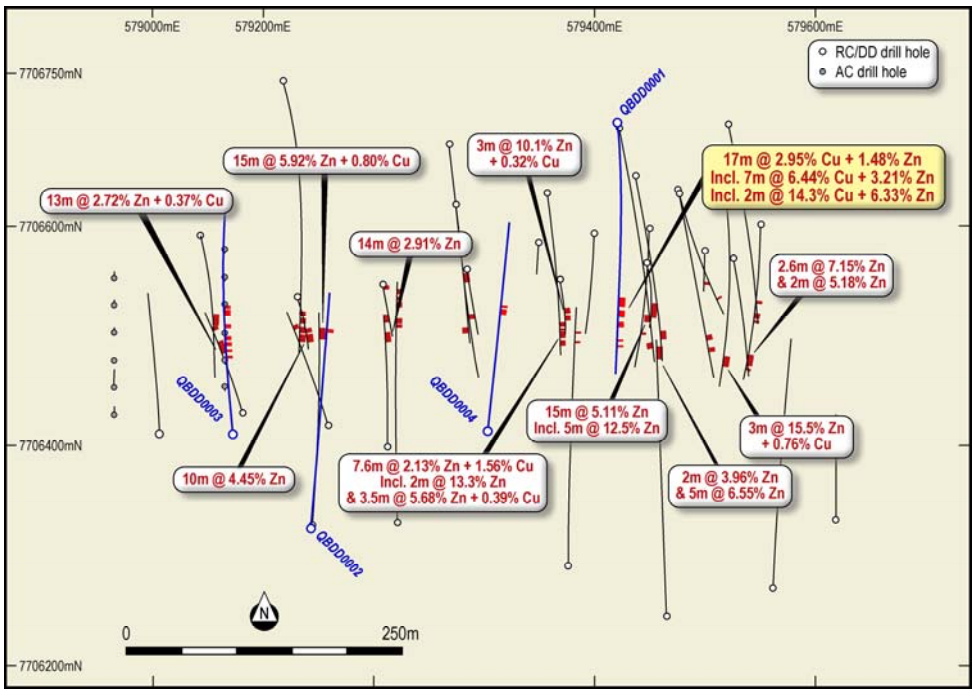

Figure 2. *Plan showing drilling results (Tando and historical) at the Balla Balla Prospect.*

Figure 3. *Photographs showing sulphides intersected in QBDD001 at 344m (top) and 351m (bottom).*

For and on behalf of the board:

Mauro Piccini

Company Secretary

Competent Persons Statement

The information in this announcement that relates to Exploration Results complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**) and has been compiled and assessed under the supervision of Mr Bill Oliver, the Managing Director of Tando Resources Ltd. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Oliver consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Exploration Results are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measures as detailed in Appendix 2.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Tando operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Tando's control.

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APPENDIX 1: Significant Drillhole Intercepts from the Quartz Bore Project

HOLE ID	EAST	NORTH	RL	EOH (m)	Drill Type	DIP	AZI	INTERSECTION From	Width	Zn %	Cu %	Pb %
QBDD0001	579420	7706695	12	444.7	DD	-60	170	320.5	11	0.72	0.05	0.24
								incl.	2	2.88	0.14	0.90
								340.5	17	1.48	2.95	0.45
								incl.	7	3.21	6.44	1.03
								incl.	2	6.33	14.3	2.40
								360.5	5	1.05	0.48	0.35
								389.5	2	0.85	0.22	0.15
QBDD0002	579145	7706325	12	399.7	DD	-60	002	340	2	0.47	0.13	0.14
QBDD0003	579074	7706411	12	399.7	DD	-60	355	132	1	0.84	0.03	0.01
								143	1	0.22	0.01	0.10
								154	3	0.10	0.01	0.01
								166	3	0.22	0.02	0.03
								187	4	0.13	0.02	0.02
								208	17	0.10	0.02	0.02
								incl.	5	0.16	0.04	0.03
QBDD0004	579304	7706414	12	351.6	DD	-60	005	205.5	13	0.16	0.03	0.04
								incl	5	0.29	0.04	0.08

Notes:

- All coordinates are in MGA94 Zone 50.
- Results should be read in conjunction with the data provided in Appendix 2.

APPENDIX 2.

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the Quartz Bore Project.

Section 1: Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Diamond core drilling using NQ sized core.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Core is being sampled at 1m intervals except where these are adjusted for geological features. Core is cut in half, away from the orientation line. All core is being photographed for reference.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	All aspects of the determination of mineralisation are described in this table. The core sampling method is considered appropriate for VMS mineralisation. All of the drill samples will be sent to a commercial laboratory for crushing, pulverising and chemical analysis by industry standard practises.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).*	Diamond drilling uses HQ and NQ2 core sizes. Coring was from surface using HQ. Core was changed to NQ2 when ground conditions were competent. All NQ2 core is orientated. All diamond core is stored in industry standard core trays labelled with the drill hole ID and core interval.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Diamond drill core recovery is being recorded as a percentage of measured recovered cores versus drilled distance. Recoveries have been high to date.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Diamond drilling - coring from surface uses HQ and only changes to NQ2 when ground conditions were competent.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No relationship between recovery and grade in Tando's drilling. There is no known or reported relationship in historical drilling between sample recovery and grade.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Diamond drill core is being geologically logged for the total length of the hole. Logging is recording lithology, mineralogy, alteration, veining, structure, mineralisation and weathering. Logs are coded using the company geological coding legend and entered into Excel worksheets prior to

Criteria	JORC Code explanation	Commentary
		being loaded into the company database. All core is being photographed with images to be stored on the company server. Logging is appropriate and sufficiently detailed to support Mineral Resource estimates.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of chips and diamond core is both qualitative (eg. colour) and quantitative (eg. minerals percentages).
	The total length and percentage of the relevant intersections logged.	100% of all core drilled by the Company has been logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Sampling for all of the diamond core will be undertaken on split core, halved via a core saw.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No non core drilling is being reported here.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sampling techniques for both diamond drilling and RC drilling are of consistent quality and appropriate.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	To ensure representivity core was taken from the same side of the hole each time, with field duplicates taken and inserted. Certified Reference Materials (CRMs) were selected to be similar in chemistry to the mineralisation being targeted.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	One field duplicate was collected per batch (approx. 80 samples) in addition to laboratory duplicates which were also reported.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The material and sample sizes are considered appropriate given the volcanic massive sulphide style of mineralisation being targeted.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Sampling for the Tando drilling was undertaken on split core, halved via a core saw. Where duplicate samples were required the core was quartered with two duplicate quarter core samples sent for assay and the remaining half-core returned to the tray as a record. The samples were sent to ALS for preparation and analysis. All samples were analysed for Au by fire assay (method AA25) and AAS (Atomic Absorption Spectroscopy), using a nominal 30 gram sample weight. The following multi-elements were digested by 4-acid digest with ICP-AES finish; Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sr, Ti, V, W, and Zn.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Hand held assay devices have not been reported.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie	Quality control exercised upon laboratory analyses included the insertion of CRMs and the collection of field duplicates. Field duplicates were collected as quartered diamond core identical as much as practically

Criteria	JORC Code explanation	Commentary
	lack of bias) and precision have been established.	possible to the original sample. CRMs and blanks were inserted blind into the sample stream sent to the laboratory and assessed for variance from expected norms via statistical analysis. Two CRMs were used in the programme, one higher grade and one moderate grade, with both sourced from Geostats.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No verification of sampling and assaying has been undertaken by Tando for the historical drilling.
	The use of twinned holes.	No specific twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data is collected in the field and entered into Excel worksheets prior to being loaded into the company database. Validation is completed in Micromine as part of the data merge. All core is being photographed with images to be stored on the company server.
	Discuss any adjustment to assay data.	Assay results were quoted in ppm and have been converted to %, except for results > 10%.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Location data has been recorded by handheld GPS (±5m accuracy on easting and northing). Drillhole deviation for diamond drilling is being measured via in-rod surveys during drilling. This is being conducted using an axis north seeking gyro tool.
	Specification of the grid system used.	The grid system for the Quartz Bore Project is Map Grid of Australia GDA 94, Zone 50.
	Quality and adequacy of topographic control.	Adequate.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The spacing and location of the majority of the drilling at the Quartz Bore Project is, by the nature of early exploration variable. Drilling to date over the Balla Balla Prospect is on approximately 50m - 100m centres east-west and 25m -100m centres north-south over the mineralised body.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Data spacing is deemed sufficient to establish geological and grade continuity to establish a mineral resource estimate but a mineral resource has not been estimated.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The majority of the drilling at Quartz Bore is inclined to the north which is considered appropriate given the regional and local geological fabric and structures.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	To date, orientation of the mineralised domain has been favourable for perpendicular drilling and sample widths are not considered to have added a significant sampling bias.
Sample security	*The measures taken to ensure sample security.*	Samples are stored at the Whim Creek yard. Samples were collected from site by a transport company and delivered to the assay laboratory in Perth.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No independent audits have been undertaken.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Quartz Bore Project comprises a single granted Exploration Licence, namely E47/3352 covering a land area of 15 km^2. Tando owns 100% of the tenement holder, VMS Resources Ltd. The tenement is within land where native title has been determined. The traditional owners of the land are the Ngarluma People. A Heritage Agreement has been signed with the Ngarluma Aboriginal Corporation to manage access.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The Project has previously been explored for volcanic massive sulphide deposits by a number of companies. Work has ranged from early stage soil sampling to auger and diamond drilling.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Quartz Bore Project is located within the Archaean Whim Creek Basin, a sequence of intermediate to felsic volcanic, volcanoclastic and sediments. Tando is exploring for volcanogenic massive sulphide (VMS) deposits. Massive sulphide and stringer sulphide mineralisation has been deposited at the top of the Cistern Formation which comprises a thick sequence of volcanogenic siltstone, sandstone and conglomerate with minor shale units.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	All hole collar locations, depths, azimuths and dips are provided within this announcement (Appendix 1) for drilling completed by the Company.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable, information has been inclided.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off*	Results are length weighted.

Criteria	JORC Code explanation	Commentary
	grades are usually Material and should be stated.	
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	All intervals > 0.1% Zn are reported in Appendix 1. Higher grade intersections are based on intervals > 2 % Cu and 10% Cu, no internal waste.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are currently being used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	All intersections are reported as downhole lengths. Additional drill holes are required to confirm the relationship between downhole lengths and true widths.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Plans and long section are inserted ass Figure X and Y. Geological interpretation is still ongoing based on assay and lithological data and will be presented in subsequent announcements.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All intervals > 0.1% Zn are reported in Appendix 1.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All relevant exploration data has been reported in previous announcements by the Company.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Based on the sulphide zones intersected (as detailed in this announcement) it is anticipated that assays and downhole geophysical surveys will define targets for follow up drilling. The specifics of this drilling will be designed and announced once all results have been received and interpreted.