

NSX ANNOUNCEMENT

14 March 2011



Significant New Iron Ore Project Acquisition

The Directors of the Timah Resources Limited (“**TMH**”) are pleased to announce it has entered into a Call Option Agreement with Urban Minerals Pty Ltd, a private company to acquire its 100% Strachan Iron Ore Project located in the South West Region of Western Australia.

Strategically, the Strachan Iron Ore Project is an important greenfield exploration project that compliments the Company existing 100% owned exploration Bathurst Island Project E04/1589 in the North West Kimberley, north of the Irvine Island Iron Ore Project.

The Strachan Iron Ore Project is located 275km South South-East of Perth, with two Exploration Licence tenements EL70/3983 and EL70/3984 with a total area of 546km² 100% owned by Urban Minerals.

The project is located to nearby existing rail and road infrastructure and the nearest port is Bunbury Port some 130km North West. The project is prospective for high grade magnetite iron ore identified by number of anomalous discovered from the ground magnetic survey.

Follow up ground magnetic and aerial surveys and a reconnaissance drilling is required to determine the prospective nature of the tenements.

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Strachan Project Regional Map



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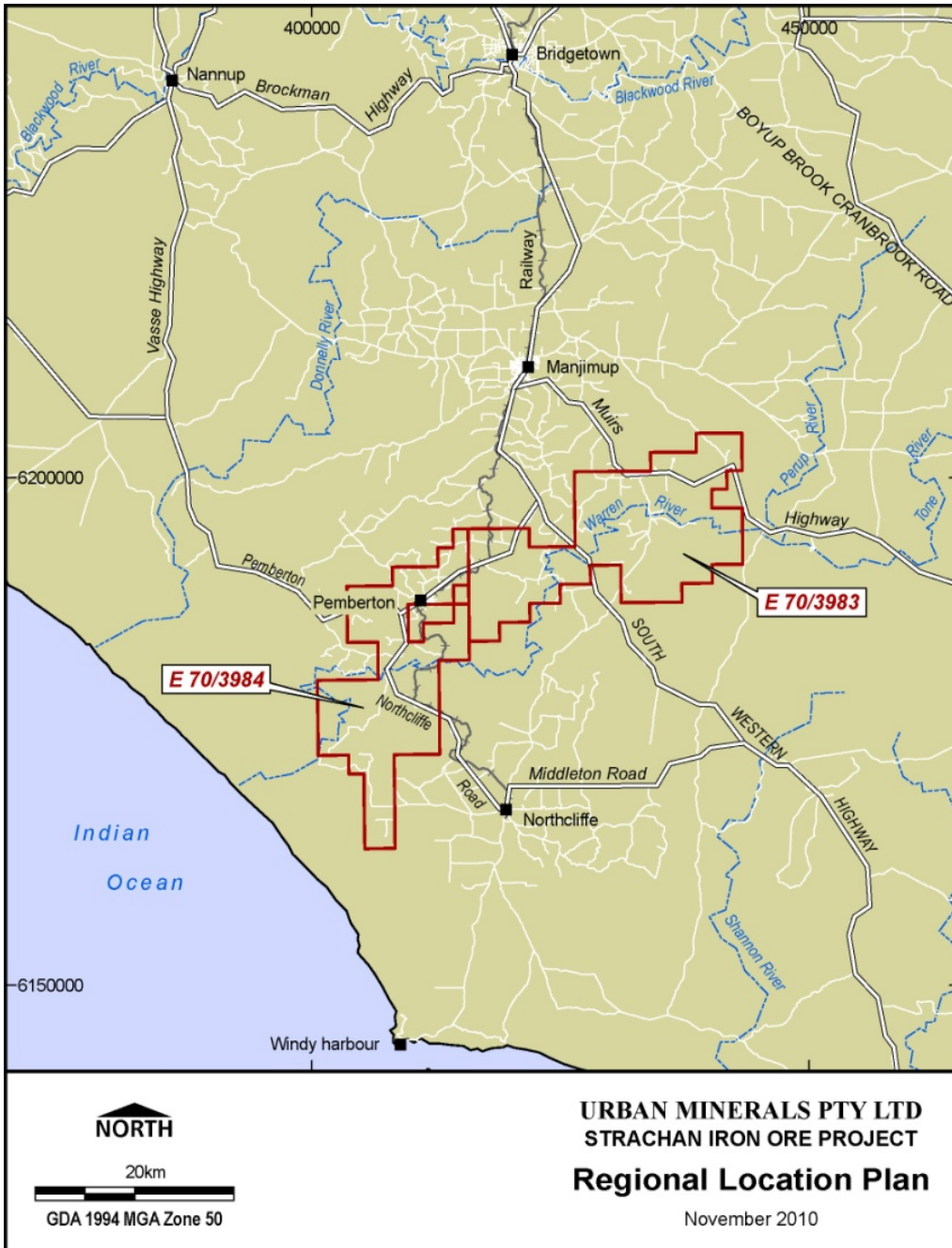
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Strachan Project Tenement Map



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Terms of Project Acquisition

TMH have paid a non-refundable cash amount for the Call Option and TMH is able to exercise the call option subject to the condition that TMH is admitted to Official Quotation on the ASX Limited before the expiration date of 30th August 2011.

The exercise purchase price payable by TMH to Urban Minerals is a mix of cash and TMH equity shares and options as follows:

- Cash payment of A\$70,000.
- 2 million TMH shares issued at commencement of Official ASX Quotation of Timah Resources Limited. These shares are set to be escrowed for 12 months.
- 2 million TMH options, conversion of 1 option to 1 ordinary share, expiring 3 years from the date of Official ASX Quotation at an exercise price of 30 cents.
- A 1.5% net smelter return fee, which TMH has the option to purchase for A\$10 million within the 3 years of commence of iron ore production.

TMH have recently appointed Mackay & Schnellmann Pty Limited, well respected independent geologist and mining consultants to review the Strachan Iron Ore Project and a detailed geological assessment on the Bathurst Island Project.

The independent geologist report is expected to be completed in the coming week which is in line of the expectation as part of the preparation work for Timah Resources Limited IPO on the Australian Securities Exchange (ASX).



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