

ASX Announcement
5 January 2018

TIMAH RESOURCES TO INCREASE REVENUE & PLANT EFFICIENCY WITH BIOGAS ENGINES REPLACEMENT

Timah Resources Limited (ASX: TML) ("Timah Resources" or "Company") is pleased to announce that the application of the Company's wholly owned subsidiary, **Mistral Engineering Sdn Bhd ("Mistral")**, to the Sustainable Energy Development Authority Malaysia (SEDA) for the engines presently used at the Company's Biogas Power Plant to be replaced by more efficient biogas engines, has been approved.

Timah Resources will replace four existing engines (1 x 1.204 MW engine, 3 x 900kW engines) with three new 1.200MW biogas engines assembled locally in Malaysia. These new biogas engines will meet SEDA's bonus criteria that require the units to have an electrical efficiency above 40%. The local assembly of the engines also meets the additional bonus criteria.

The new biogas engines are expected to generate an additional revenue estimated around AU\$1.59 million (RM\$5 million) per annum, in comparison to the existing revenue before the engine replacement. This additional revenue is expected to be generated from Mistral meeting the additional SEDA bonus criteria and the improvement in performance. The new engines will be expected to achieve higher operational efficiency, lower maintenance costs and improved plant performance.

Mr Soong Swee Koon, Chief Operating Officer of Timah Resources, said:

"Receiving this approval by SEDA is an important milestone for us as we work towards producing energy in a sustainable and environmentally conscious manner that meets SEDA's requirements.

"It is expected that these new biogas engines will improve the efficiency of the Power Plant's energy production and provide additional revenue for the Company."

About Timah Resources

Timah Resources Limited ("Timah"), incorporated in Australia in 2007, was listed on the National Stock Exchange ("NSX") in 2008. Subsequently, it was listed on the Australian Securities Exchange ("ASX") on 16th September 2015. The company focuses on generating energy to meet the needs of society in a sustainable manner.

Timah creates shareholder value through the generation of biogas renewable energy undertaken by its wholly owned Malaysian-based subsidiary, Mistral. Mistral is a green technology company that produces green power from Palm Oil Mill Effluent (POME).

Timah aims to become a leading biogas renewable energy producer in Malaysia, adopting proper standards of occupational health and safety, environmental management and ethics.

For more information please visit: <http://www.timahresources.com.au>

For further information please contact:

Andrew Wallis, Company Secretary
Timah Resources Limited
T: +612 9267 4633 F: +612 9267 4388

Rod North, Managing Director
Bourse Communications Pty Ltd
T: +613 9510 8309, M: +61 408 670 706
E: rod@boursecommunications.com.au