

## ASX ANNOUNCEMENT

2 July 2013

ASX CODE: TNG

## REGISTERED OFFICE

TNG Limited  
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ABN 12 000 817 023

## DIRECTORS

Jianrong Xu  
Paul Burton  
Michael Evans  
Stuart Crow  
Rex Turkington  
Wang Zhigang

## COMPANY SECRETARY

Simon Robertson

## PROJECTS

Mount Peake: Fe-V-Ti  
Manbarrum: Zn-Pb-Ag  
East Rover: Cu-Au  
McArthur: Cu  
Mount Hardy Cu-Au  
Sandover Cu-Au

## CONTACT DETAILS

Paul Burton | +61 8 9327 0900  
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## TNG Announces Share Purchase Plan

*SPP Offer includes a free attached Option on 1-for-2 basis*

TNG Limited (ASX: TNG; “**TNG**” or “**Company**”) is pleased to announce that it is offering eligible shareholders the opportunity to participate in a Share Purchase Plan (**Plan**) to acquire up to \$15,000 worth of fully paid ordinary shares in TNG (**Shares**) at an issue price of \$0.045 per share, and including a free attached option on a 1 for 2 basis.

The SPP will provide shareholders with the opportunity to increase their holdings at an attractive price without paying brokerage or transaction costs, as the Company moves ahead with the next phase of exploration and development of its key resource assets in the Northern Territory.

The issue price under the Plan represents a 16.68% discount to the average closing price of Shares on the ASX over the five trading days prior to the date of this announcement (which was \$0.054).

Eligible shareholders who subscribe for Shares under the Plan are also being offered one free attaching option (**Option**) for every two Shares subscribed for. The Options will have an exercise price of \$0.08 and expiry date of 31 July 2015. TNG will apply for the Options to be listed on ASX.

The funds raised under the SPP will be used to progress the ongoing Definitive Feasibility Study (DFS) on the Company’s flagship Mount Peake Iron-Vanadium-Titanium Project in the Northern Territory, as well as to progress its other exploration projects and for general working capital.

### Shareholders’ Eligibility to Participate in the Plan

Participation in the Plan is optional and is available exclusively to shareholders who were registered as holders of Shares at 5pm (WST) on 1 July 2013, and whose registered address is in Australia or New Zealand.

### Share Purchase Plan

The offer of Shares under the Plan is made in accordance with ASIC Class Order [CO 09/425] and therefore does not require a prospectus for the purposes of Chapter 6D of the Corporations Act. However, given that ASIC Class Order [CO 09/425] does not provide relief for the grant of options, the Company will issue a prospectus for the offer of Options.

Eligible shareholders will be able to participate by choosing one of the following levels of participation:

Number of New Shares applied for	Amount payable for that parcel	Number of free attaching Options
22,222	\$1,000	11,111
44,444	\$2,000	22,222
111,111	\$5,000	55,555
222,222	\$10,000	111,111
333,333	\$15,000	166,666

The SPP is non-renounceable. This means that eligible shareholders who do not take up their entitlement to participate in the SPP will not be able to transfer or receive any value for these entitlements. The issue of shares under the SPP is not subject to shareholder approval.

The SPP offer is intended to be open between Friday, 5 July 2013 and Thursday, 25 July 2013. However, TNG reserves the right to alter these dates.

TNG has applied to ASX for a waiver of Listing Rule 10.11 to allow Directors who are eligible shareholders (and entities controlled by them) to participate in the SPP and in the related Option offer without the approval of TNG shareholders.

The SPP is capped at \$3.5 million and is not underwritten. Any Shares not subscribed for by eligible shareholders under the SPP will comprise the shortfall and may be offered to institutional or sophisticated investors as a separate placement at the discretion of the Directors, up to the limit available to TNG under its placement capacity in accordance with Listing Rule 7.1.

## **SPP Offer Documentation**

Full details of the offer are set out in the attached SPP offer documentation (consisting of an SPP Offer Booklet, a Prospectus for the Options and a combined application form for the shares and the Options).

The offer documentation will be mailed to Eligible Shareholders on or about Friday, 5 July 2013.

Paul E Burton  
**Managing Director**

## **Enquiries:**

Paul E Burton,  
Managing Director + 61 (0) 8 9327 0900

Nicholas Read  
Read Corporate + 61 (0) 8 9388 1474

# TNG LIMITED

**About TNG:**

TNG Ltd is a junior exploration company with a focus on exploration and development of projects in the Northern Territory of Australia.

The company is currently developing its 100% owned world class Mount Peake Vanadium –Titanium – Iron project in the which is currently in the Definitive Feasibility Stage, with anticipated production in 2015. In addition it is also actively exploring its copper projects including its 100% owned Mt Hardy project which is emerging as a potential major Copper/Gold and polymetallic project.

The company has joint ventures on its other projects with Rio Tinto, Norilsk, and Western Desert Resources and strategic investment from Ao-Zhong Ltd., a 100% owned subsidiary of China's ECE Ltd.

For more information please see the company's website at [www.tngltd.com.au](http://www.tngltd.com.au)

# TNG Share Purchase Plan

*Not for release or distribution in the United States*

1 July 2013

Dear Shareholder

## Offer to participate in the TNG Share Purchase Plan

The Directors of TNG Limited (**TNG**) are pleased to offer you the opportunity to participate in the TNG Share Purchase Plan (**SPP**), which provides you with the opportunity to increase your share holding at an attractive price without paying brokerage or other transaction costs, as TNG moves ahead with the next phase of exploration and development of its key resource assets in the Northern Territory.

The SPP offers eligible shareholders an opportunity to purchase shares in TNG (**New Shares**) to a value of A\$1,000.00, A\$2,000.00, A\$5,000.00, A\$10,000.00 or A\$15,000.00. The SPP is not underwritten and will be capped at a total amount of A\$3.5 million. An appropriate scale-back policy will be applied if valid applications exceed A\$3.5 million.

The offer price for the New Shares will be 4.5 cents per share. This represents a 16.68% discount to the volume weighted average price of TNG shares for the five day period up to and including 1 July 2013 (the trading day prior to announcement of the SPP) of 5.4 cents.

Any New Shares not subscribed for by eligible shareholders under the SPP will comprise the shortfall (**SPP Shortfall**) and may be offered to institutional or sophisticated investors as a separate placement at the discretion of the Directors, up to the limit available to TNG under its placement capacity in accordance with Listing Rule 7.1.

Eligible shareholders who subscribe for New Shares under the SPP, and investors who subscribe for New Shares under the SPP Shortfall placement, will be allocated one (1) free attaching option (**Option**) for every two (2) New Shares subscribed for. It is proposed that TNG will apply to have the attaching Options quoted on ASX. Each Option will have an exercise price of 8 cents and an expiry date of 31 July 2015.

TNG reserves absolute discretion regarding the amount raised under the SPP and the exercise of its right to accept additional funds or to scale-back applications. Should a scale-back happen, you may be allocated New Shares to a value which is less than the parcel of New Shares you applied for and the difference will be refunded to you.

Funds raised under the SPP will be used to progress the ongoing Definitive Feasibility Study (DFS) on TNG's flagship Mount Peake Iron-Vanadium-Titanium Project in the Northern Territory, as well as to progress its other exploration projects and for general working capital.

Participation in the SPP is entirely optional and open to shareholders who were holders of fully paid ordinary shares in TNG as at 5pm Australian Western Standard Time (**WST**) on Monday, 1 July 2013 and whose registered address is in Australia or New Zealand.

The SPP will be open on (and the SPP offer documents will be despatched to eligible shareholders by) Friday, 5 July 2013 and will remain open until 5pm WST on Thursday, 25 July 2013. As soon as practicable after the close of the SPP, TNG will make an ASX announcement as to the outcome of the SPP and the number of New Shares to be issued.

For legal reasons, the offer of New Shares under the SPP and the offer of the attaching Options are made under the following separate offer documents (**enclosed**):

- SPP Offer Booklet;
- Prospectus for the Options; and
- combined application form for the New Shares and Options.

These documents are important and should be read thoroughly in conjunction with the publicly available information relating to TNG. If you are unsure about whether to participate, please contact your professional adviser. If you require further information, please contact the Company Secretary (contact details are in the enclosed instructions).

On behalf of the Board, I invite you to consider this opportunity to increase your investment in TNG.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Burton', with a stylized flourish at the end.

Paul Burton  
Managing Director  
**TNG Limited**

## Key Dates\*

Date (and time if relevant)	Event
5pm WST, Monday, 1 July 2013	<b>Record Date</b> The date and time at which TNG determines who is eligible to participate in the SPP.
Friday, 5 July 2013	<b>Opening Date</b>
5pm WST, Thursday, 25 July 2013	<b>Closing Date</b> Application Forms together with payment by cheque or money order must be received by this time and date.  <b>NOTE:</b> BPAY payments must be received by 4pm WST, Thursday, 25 July 2013 (which is when the BPAY system closes on the Closing Date).
Thursday, 1 August 2013	<b>Allotment Date</b> The date on which the New Shares and Options are expected to be allotted and any scale back of the New Shares and Options is announced.
Friday, 2 August 2013	<b>Trading Date</b> The date on which the New Shares and Options are expected to begin trading.
Friday, 2 August 2013	<b>Despatch Date</b> Transaction confirmations / holding statements will be sent to shareholders on or around this date.

\* TNG may change any of the Key Dates at its discretion (even if the offer has opened or applications have been received).

## Instructions

The SPP opens on Friday, 5 July 2013 and under the offer you may apply for a parcel of New Shares as set out in the table below. For every 2 New Shares you subscribe for under the SPP, you will be entitled to 1 Option. The total number of Options under each parcel of New Shares is outlined in the table below.

Number of New Shares applied for	Amount payable for that parcel	Number of free attaching Options
22,222	A\$1,000	11,111
44,444	A\$2,000	22,222
111,111	A\$5,000	55,555
222,222	A\$10,000	111,111
333,333	A\$15,000	166,666

To apply and pay for your New Shares, you have two options:

### Option 1: BPAY<sup>®1</sup>

You can make a payment by BPAY<sup>®</sup> if you have an Australian bank account enabled for this purpose. BPAY<sup>®</sup> customers must follow the instructions on page 6 and in the Application Form and must use the customer reference number shown on the Application Form which is required to identify your holding. If paying by BPAY<sup>®</sup>, you do not need to return your Application Form. See page 6 for further information.

<sup>1</sup> <sup>®</sup> Registered to BPAY Pty Ltd ABN 69 079 137 518.

## **Option 2: Application Form and cheque, bank draft or money order**

You can complete the Application Form and return it to Computershare Investor Services Pty Limited (**Share Registry**), GPO BOX 505, Melbourne, Victoria 3001 Australia together with a cheque, bank draft or money order, in accordance with the instructions on the Application Form.

Cheques, bank draft and money orders must be made payable to "TNG Limited" in Australian dollars and drawn on an Australian bank for the correct amount. TNG will not accept payment by cash.

### **Timing**

All payments by cheques, bank draft and money orders and Application Forms must be received before 5pm WST, Thursday, 25 July 2013. You cannot withdraw or cancel your application or BPAY<sup>®</sup> payment once you have sent it in. BPAY<sup>®</sup> payments must be received by 4pm WST, Thursday, 25 July 2013 (which is when the BPAY<sup>®</sup> system closes on the Closing Date).

### **Questions**

If you have any questions, please contact TNG's Company Secretary any time between 9am and 5pm (WST) Monday to Friday on +61 8 9327 0900.

### **No offer outside Australia and New Zealand**

This document may not be released or distributed in the United States or any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any country other than Australia and New Zealand. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

## Terms and Conditions

**IMPORTANT NOTICE:** The market price of TNG shares may rise or fall from now to when the New Shares are allotted to you under the SPP or upon exercise of Options. Therefore, if you apply for and we allot to you New Shares under the SPP, the offer price for those New Shares may be more than, or less than, the market price of TNG shares you could buy at that time. Similarly, the exercise price for your Options may be more than, or less than, the market price of TNG shares you could buy at that time. By completing and returning the Application Form or making a BPAY payment, you acknowledge this risk. We encourage you to contact your professional adviser regarding whether to participate in the SPP and how much to contribute.

### Offer timetable

- (a) The offer timetable is set out in the Key Dates above and is included in these Terms and Conditions.
- (b) Payment by BPAY®, Application Forms, cheques, bank draft and money orders may not be processed and may not be valid if they have not been received by or on behalf of TNG by the time and date specified for the Closing Date. You must allow adequate time for Application Forms and cheques, bank draft or money orders forwarded by post to be received by the Share Registry. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.
- (c) TNG expects to send a transaction confirmation or holding statement to you on or around the Despatch Date.
- (d) TNG expects that the New Shares and Options will be allotted under the SPP on the Allotment Date and will commence trading on ASX on the Trading Date. You must confirm your holding before trading in any New Shares or Options you believe have been allotted to you under the SPP.
- (e) At any time, TNG can change the Closing Date, the Allotment Date, the Trading Date and the Despatch Date (even if the offer has opened, or BPAY® payments and Application Forms have been received) by lodging a revised timetable with ASX.

### Eligible Shareholders

You are an Eligible Shareholder and may participate in the SPP if you were a registered holder of TNG ordinary shares with a registered address in Australia or New Zealand as at 5pm WST on Monday, 1 July 2013, unless you hold TNG shares on behalf of another person who resides outside Australia

or New Zealand (in which case you will not be eligible to participate in respect of the shares of that person).

For New Zealand shareholders, you must still be a shareholder at the date of this offer, that is, Friday, 5 July 2013.

TNG has determined that it is not practical for holders of TNG shares with registered addresses in other countries to participate.

- **Holders receiving more than one offer:** If you are the only registered holder of TNG shares, but you receive more than one offer under the SPP (due to multiple registered holdings), you may only contribute a maximum of A\$15,000.00 in applying for New Shares.
- **Joint Holders:** If 2 or more persons are recorded in the register of members of TNG as jointly holding TNG shares, they are considered to be a single registered holder for the purpose of the SPP and they are entitled to participate in the SPP in respect of that single holding only. If as joint holders you receive more than one offer under the SPP due to multiple identical holdings, you may still only contribute a maximum of A\$15,000.00 in applying for New Shares.
- **Custodians, trustees and nominees:** If you are a custodian, trustee or nominee within the definition of “custodian” in ASIC Class Order [CO 09/425] (**Custodian**), you may contribute a maximum of A\$15,000.00 in applying for New Shares for each beneficiary on whose behalf you or a downstream custodian hold TNG shares (but joint holders are taken to be a single holder), subject to providing us with a certificate in accordance with paragraph (d) of “Significance of applying for New Shares” below. If you are not a Custodian, the rules for multiple single holdings apply and you may only contribute a maximum of A\$15,000.00 in applying for New Shares. You are not eligible to participate on behalf of a



person who resides outside Australia and New Zealand.

### Participation is optional

Participation in the SPP is entirely optional. If you are an Eligible Shareholder, you can choose whether or not to participate.

### How much can you invest?

- (a) If you are an Eligible Shareholder, you may apply to buy a parcel of New Shares by contributing a set amount of either A\$1,000.00, A\$2,000.00, A\$5,000.00, A\$10,000.00 or A\$15,000.00. There is no additional cost to acquire the free attaching Options.
- (b) This parcel may be subject to a scaleback and rounding.
- (c) Unless you are applying as a Custodian, the maximum amount of A\$15,000.00 applies even if you receive more than one Application Form or if you hold shares in TNG in more than one capacity (for example, if you are both a sole and joint holder of shares in TNG - see "Eligible Shareholders" above) and irrespective of the number of TNG shares you hold on the Record Date. We can reject any application for New Shares if we believe you have not complied with this condition.

### How to apply for New Shares

If you would like to participate in the SPP, you have two options:

#### Option 1: BPAY

Provided you are not a Custodian, you can make a payment by BPAY® if you have an Australian bank account enabled for this purpose. BPAY® customers must use the customer reference number shown on the Application Form which is required to identify your holding. If paying by BPAY®, you do not need to return your Application Form.

**IMPORTANT NOTE:** By using this BPAY® facility to apply for New Shares, you represent that the total of the application price for the following does not exceed A\$15,000.00:

- (a) the New Shares the subject of this application;
- (b) any other shares applied for under this SPP, or shares or interests in the class issued under a similar arrangement in the 12 months before this application;
- (c) any other shares or interests in the class which you have instructed a custodian to acquire on your behalf under this SPP; and
- (d) any other shares or interests in the class issued to a custodian under an arrangement similar to this SPP in the 12 months before this application as a result of you instructing the custodian or another custodian, which resulted in you holding a beneficial interest in the shares or interests.

Payment by BPAY® may not be processed and may not be valid if it has not been received by TNG by the time and date specified for the Closing Date. You should be aware that the BPAY® system closes at 4pm WST and your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

#### Option 2: Application Form and cheque, bank draft or money order

You must complete an Application Form and return it with a cheque, bank draft or money order in accordance with the instructions on the Application Form.

Cheques, bank draft and money orders must be payable to "TNG Limited", in Australian dollars and drawn on an Australian bank for the correct amount. TNG will not accept payment by cash.

Application Forms, cheques, bank draft and money orders may not be processed and may not be valid if they have not been received by TNG by the time and date specified for the Closing Date. You must allow adequate time

for Application Forms and cheques, bank draft or money orders forwarded by post to be received by the Share Registry.

#### Options

Successful applicants for New Shares under the SPP will also be entitled to receive one free

attaching Option for every two New Shares issued under the SPP. The Options will have an exercise price of \$0.08 per Option and an expiry date of 31 July 2015. The Company will apply to have the Options quoted so that they can be traded on ASX.

The Options offer will be made separately under a Prospectus which will be sent to shareholders as a separate document accompanying this document. Applicants should consider the Prospectus when deciding whether to apply for the Options and must complete the combined Application Form which accompanies this SPP offer booklet if they wish to apply to participate in the SPP.

### **TNG's discretion regarding applications**

TNG may accept or reject applications for New Shares under the SPP, including if:

- (a) an Application Form is incorrectly completed, incomplete or otherwise determined by TNG to be invalid;
- (b) you are a Custodian, and we are not satisfied with your certification for any reason;
- (c) a cheque is dishonoured or has not been completed correctly;
- (d) the correct amount corresponding to your application is not provided with the Application Form or BPAY<sup>®</sup> payment;
- (e) a BPAY<sup>®</sup> payment is not received or is incomplete or invalid;
- (f) unless you are applying as a Custodian, an applicant appears to be contributing more than A\$15,000.00 under the SPP;
- (g) an application is received after the time and date specified as the Closing Date. TNG has a discretion whether or not to accept late BPAY<sup>®</sup> payments, Application Forms and cheques, bank draft or money orders; or
- (h) TNG believes you are not an Eligible Shareholder,

and TNG must reject applications if required to do so under ASIC Class Order [CO 09/425].

TNG reserves the right to return your cheque, bank draft or money order or refund your BPAY<sup>®</sup> payment and not allot you any New Shares.

### **Offer price**

The offer price for the New Shares is 4.5 cents. This represents a 16.68 % discount to the volume weighted average price of TNG shares of 5.4 cents for the five day period up to and including 1 July 2013 (the trading day prior to announcement of the SPP).

### **Condition**

The issue of the New Shares under the SPP and the Options pursuant to the Prospectus is subject to TNG being able to comply with the ASX Listing Rules.

### **Applications may be scaled back**

- (a) TNG reserves the right to determine the amount it raises through the SPP, including the right to scale back applications (**Scaleback**). At this stage the maximum amount raised through the SPP will be capped at a total amount of A\$3.5 million, though TNG reserves the right to change this cap at its discretion by announcement to ASX.
- (b) If there is a Scaleback you may not receive all the New Shares for which you have applied. Each applicant will be treated equally and scaled back on a pro rata basis. In the event of a Scaleback, the number of Options will also be scaled back proportionately. If a Scaleback produces a fractional number when applied to your parcel, the number of New Shares (and Options) you will be allotted will be rounded down.
- (c) TNG will refund to you by direct credit deposit to your nominated bank account (where you have given your nomination to the Share Registry) or by cheque, the difference between your application money and the total offer price for the New Shares allotted to you.

### **No other participation costs**

No brokerage, commission or other participation costs are payable by you to

acquire New Shares and Options under the SPP and pursuant to the Prospectus.

### No interest

No interest will be paid on any application money returned to you.

### You cannot transfer your rights under this SPP

Your rights under this offer are personal to you and non-renounceable. This means you cannot transfer your right to purchase New Shares under this SPP or to receive Options under the Prospectus to anyone else.

### Equal ranking

New Shares issued under the SPP will, at the time of issue, rank equally with existing New Shares quoted on ASX, with the same voting rights, dividend rights and other entitlements.

### Significance of applying for New Shares

If you apply to participate in the SPP:

- |   |   |
|---|---|
| <p>(a) you agree that once you have sent in your application or made your BPAY® payment, you cannot withdraw or cancel your application and your application is unconditional;</p> <p>(b) you confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the offer under the SPP and participate in the SPP in accordance with these Terms and Conditions and any applicable laws;</p> <p>(c) you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the total of the application price for the following does not exceed \$15,000.00:</p> <ul style="list-style-type: none"><li>• the New Shares the subject of this application;</li><li>• any other shares applied for under this SPP, or shares or interests in the class issued under a similar arrangement in the 12 months before this application;</li><li>• any other shares or interests in the class which you have</li></ul> | <p>instructed a custodian to acquire on your behalf under this SPP; and</p> <ul style="list-style-type: none"><li>• any other shares or interests in the class issued to a custodian under an arrangement similar to this SPP in the 12 months before this application as a result of you instructing the custodian or another custodian, which resulted in you holding a beneficial interest in the shares or interests;</li></ul> <p>(d) if you are a Custodian and are applying for New Shares with a total application price exceeding A\$15,000.00, you agree to certify to us in writing the matters required by ASIC Class Order [CO 09/425] condition 9. Custodians should request a Custodian Certificate when making an application on behalf of participating beneficiaries. To request a Custodian Certificate or if you would like further information on how to apply, you should contact the Share Registry;</p> <p>(e) you agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the SPP;</p> <p>(f) you agree to be bound by the Constitution of TNG;</p> <p>(g) you authorise TNG (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by inserting missing details if we elect to do so;</p> <p>(h) you agree that TNG may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;</p> <p>(i) you agree that your application is only effective when received by us and not when posted;</p> <p>(j) you accept the risk associated with any refund that may be sent to you by direct credit to your account as nominated to the Share Registry or</p> |
|---|---|

- cheque to your address shown on TNG's register;
- (k) you agree that you are responsible for any dishonour fees or other costs which TNG may incur if your cheque for payment is dishonoured;
  - (l) you agree that TNG and the Share Registry have not provided you with investment or financial product advice, and that they have no obligation to provide advice to you about your decision to apply for and buy New Shares or to receive Options; and
  - (m) you agree that TNG is not liable for any exercise of its discretions referred to in these Terms and Conditions.

#### **Notice to shareholders in New Zealand**

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of TNG with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

#### **No US offer**

If you apply to participate in the SPP, you acknowledge and agree that:

- (a) the New Shares have not, and will not be, registered under the *US Securities Act of 1933*, as amended (**US Securities Act**), or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia and New Zealand;
- (b) you must not send copies of these Terms and Conditions or any other material relating to the SPP to any person in the United States or elsewhere outside Australia and New Zealand;

- (c) you must not submit an Application Form or make payment by BPAY® for any person resident outside Australia or New Zealand; and
- (d) if you do not comply with these restrictions, it may result in violations of applicable securities laws.

#### **Withdrawal, waiver, suspension and termination**

TNG reserves the right to withdraw the offer at any time up to the Allotment Date.

TNG reserves the right at any time to:

- (a) waive compliance with any provision of these Terms and Conditions;
- (b) amend or vary these Terms and Conditions; and
- (c) suspend or terminate the SPP.

Any amendment, variation, suspension or termination is binding on all Eligible Shareholders even if TNG does not notify you of the event.

#### **Settling disputes**

TNG may settle, in any manner it sees fit, any difficulties, anomalies or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any application for New Shares. TNG's decision is conclusive and binding on all participants and other persons to whom the determination relates. These rights may be exercised by TNG's Board or any delegate of the Board.

#### **Governing Law**

These Terms and Conditions are governed by the laws in force in Western Australia. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts in Western Australia.

#### **No underwriting**

The SPP is not underwritten.

#### **Interpretation**

The term "these Terms and Conditions" includes terms and conditions in the Application Form, Instructions and Key Dates.

The Application Form forms part of this offer document.

### **Risk factors**

There are risks associated with an investment in Shares and Options. Please refer to the risk factors set out in section 2 of the Prospectus.

### **Directory**

#### **Registered Office**

TNG Limited  
Level 1  
282 Rokeby Road  
Subiaco, WA, Australia 6008  
Telephone: +61 8 9327 0900  
Facsimile: +61 8 9327 0901

#### **Share Registry**

Computershare Investor Services Pty Limited  
Level 2, Reserve Bank Building  
45 St Georges Terrace,  
Perth, WA, Australia 6000

#### **Legal Advisers**

Clifford Chance  
Level 7  
190 St Georges Terrace  
Perth  
Western Australia, 6000  
Telephone: +61 8 9262 5555  
Facsimile: +61 8 9262 5522

**For all enquiries:**

**Phone:**  
(within Australia) 1300 850 505  
(outside Australia) 61 3 9415 4000

**Web:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

000001 000 TNG  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

**Make your payment:**

See over for details of the Offer and how to make your payment

## Share Purchase Plan Application Form

**Your payment must be received by 5pm (WST) Thursday, 25 July 2013**

This is an important document that requires your immediate attention. Before completing or submitting the slip overleaf, you should read the whole of the TNG Limited Share Purchase Plan (**SPP**) offer document and the Option prospectus (**Prospectus**) which accompanies this application form. If you do not wish to apply for TNG Limited shares and free attaching options under this offer, there is no need to take any further action.

This Application Form can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser. By making payment you agree to be bound by the Constitution of TNG Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for TNG Limited shares on the terms of the SPP and to receive free attaching options on the terms of the Prospectus.

In addition, by submitting the slip overleaf you certify that even if you have received more than one offer under the SPP or received offers in more than one capacity, the total application price for the following does not exceed \$15,000:

- the new shares and free attaching options the subject of the application form;
- any other shares and free attaching options applied for under this SPP, or shares or interests in the class issued under a similar arrangement in the 12 months before the date of submission of the slip overleaf;
- any other shares or interests in the class which you have instructed a custodian to acquire on your behalf under this SPP; and
- any other shares or interests in the class issued to a custodian under an arrangement similar to this SPP in the 12 months before the date of submission of the slip overleaf as a result of you instructing the custodian or another custodian, which resulted in you holding a beneficial interest in the shares or interests.

Custodians should request a Custodian Certificate when making an application on behalf of participating beneficiaries. To request a Custodian Certificate or if you would like further information on how to apply on behalf of beneficiaries, you should contact Computershare on the numbers listed above.

TNG Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by TNG Limited will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. TNG Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible shareholders even where TNG Limited does not notify you of that event.

### Step 1: Registration Name

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

Note that shares may be purchased only in increments of \$1,000, \$2000, \$5,000, \$10,000 and \$15,000 subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below:

**Option 1: BPay®:** See overleaf. Do not return the slip overleaf with BPay payment.

**Option 2: By Mail:** Complete the reverse slip overleaf and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to TNG Limited. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your application being rejected. Paperclip (do not staple) your cheque(s) to the slip overleaf as indicated. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

TNG Limited Share Purchase Plan Application Form

Payment must be received by 5pm (WST) Thursday, 25 July 2013

# Share Purchase Plan Application Form

X 9999999991

I ND

## STEP 1

### Registration Name & Offer Details

Registration Name: MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

For your security keep your SRN/  
HIN confidential.

Entitlement No: 12345678

Offer Details: Record date: **5.00pm (WST) Monday, 1 July 2013**

Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

## STEP 2

### Make Your Payment

#### Option 1



Billers Code: 9999999999  
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque, savings, debit or transaction account. By paying **BPAY®** you will be deemed to have completed the slip below for the number of shares the subject of your application payment.

#### Pay by Bpay

If you are applying for shares and free attaching options and your payment is being made by **BPAY®**, you do not need to return the slip below. Your payment must be received by no later than 4pm (WST), Thursday, 25 July 2013. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor TNG Limited accepts any responsibility for loss incurred through incorrectly completed **BPAY®** payments. It is the responsibility of the applicant to ensure that funds submitted through **BPAY®** are received by this time.

#### Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the shares issuer (the issuer), for the purpose of maintaining registers of shareholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

[Detach here](#)

I/We wish to purchase a parcel of TNG Limited shares (and received a parcel of free attaching options) as follows (choose one option only) in accordance with the terms of the TNG Limited Share Purchase Plan and Option Prospectus.

#### Purchase Details for TNG Limited (choose one option)

☐ \$1,000 worth of shares OR ☐ \$2,000 worth of shares OR ☐ \$5,000 worth of shares

☐ \$10,000 worth of shares OR ☐ \$15,000 worth of shares



Entitlement No: 12345678

**Payment must be received by 5pm (WST) on Thursday, 25 July 2013**

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

#### Contact Details

Contact Name \_\_\_\_\_ Daytime Telephone \_\_\_\_\_

#### Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+0000000001-3051+14

# **TNG LIMITED**

ABN 12 000 817 023

## **PROSPECTUS**

**For the grant of one (1) free Option for every two (2) Shares subscribed for by SPP Subscribers**

**THE SPP OPTION OFFER IS CURRENTLY SCHEDULED TO CLOSE AT 5.00PM WST ON 25 JULY 2013**

**VALID APPLICATION FORMS MUST BE RECEIVED BEFORE THAT TIME.**

**Please read the instructions in this Prospectus and on the Application Form regarding the acceptance of Options under the SPP Option Offer.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE OPTIONS OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED SPECULATIVE IN NATURE.**



## **IMPORTANT INFORMATION**

### **About this Prospectus**

This Prospectus is dated 1 July 2013 and was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the contents of this Prospectus.

The expiry date of this Prospectus is 5.00pm (WST) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No Options will be issued on the basis of this Prospectus after the Expiry Date.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as a full form prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

The Options offered under this Prospectus should be considered speculative in nature. Before applying for Options, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits and risks involved. Various risks may affect the future operating and financial performance of the Company and the value of an investment in the Company. Some of these risks are listed in Section 2 of this Prospectus. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

The potential tax effects of participating in the SPP Option Offer will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers.

The Company has applied for Official Quotation by ASX of the Options offered by this Prospectus.

The SPP Option Offer is not underwritten.

This Prospectus should be read in conjunction with the other documents (including the SPP offer documents) which accompany this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 1, 282 Rokeby Road, Subiaco, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.3).

Applications for Options offered under this Prospectus can only be submitted on an original Application Form or via the methods set out in the SSP documentation accompanying this Prospectus. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete unaltered copy of this Prospectus.

Any revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

### **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the SPP Option Offer which is not contained in this Prospectus or the documents accompanying it. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the SPP Option Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus, except as required by law, and then only to the extent so required.

### **Restriction on the distribution of this Prospectus**

The SPP Option Offer is not being made to Shareholders or residents outside Australia and New Zealand.

This Prospectus and the accompanying Application Form do not, and are not intended to, constitute an offer of Options in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy securities in any country other than Australia and New Zealand. In particular, any securities described in this Prospectus have not been, and will not be, registered under the *US Securities Act 1933* (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

No action has been taken to permit the SPP Option Offer under this Prospectus in any jurisdiction other than Australia and New Zealand.

The Options to be issued subject to this Prospectus are not being offered or sold to the public within New Zealand other than under the SPP, which is being made to existing shareholders of TNG with registered addresses in New Zealand to whom the SPP Option Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

### **Privacy**

If you apply for Options, you will provide personal information to the Company and the Registry. The Company and the Registry collect, hold and use information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out herein and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

### **Defined terms and abbreviations**

Terms and abbreviations used in this Prospectus are defined in the Glossary of Terms (see Section 0).

## CORPORATE DIRECTORY

### Directors

Jianrong Xu	Chairman
Paul Burton	Managing Director
Michael Evans	Non-Executive Director
Geoffrey Crow	Non-Executive Director
Rex Turkington	Non-Executive Director
Zhigang Wang	Non-Executive Director

### Stock Exchange Listing

Australian Securities Exchange  
Home Branch – Perth  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

### Company Secretary

Mr Simon Robertson

### ASX Code

TNG

### Company Website

[www.tngltd.com.au](http://www.tngltd.com.au)

### Principal and Registered Office

Level 1, 282 Rokeby Rd  
Subiaco WA 6008  
Tel: + 61 (0)8 9327 0900  
Fax: + 61 (0)8 9327 0901

### Solicitors to the Company

Clifford Chance  
Level 7, 190 St Georges Terrace  
Perth, Western Australia, 6000

### Share Registry

Computershare Registry Services Pty Ltd  
Level 2, 45 St Georges Terrace  
Perth WA  
Tel: + 61 (0)8 9323 2000

## INDICATIVE TIMETABLE FOR SPP OPTION OFFER\*

Record Date Lodgement of Prospectus with ASIC	1 July 2013
SPP announced date	2 July 2013
Prospectus and SPP documentation sent to Eligible Shareholders	5 July 2013
Opening Date	5 July 2013
Closing Date	25 July 2013
Anticipated date for allotment and issue of the Options	1 August 2013
Anticipated date for sending holder statements	1 August 2013
Anticipated trading date of Options	2 August 2013

\* These dates are indicative only. The Company may vary the dates and times of the SPP Option Offer or withdraw it without notice. Accordingly, Eligible Shareholders are encouraged to submit their Application Form as early as possible. Without limiting the foregoing, subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the SPP Option Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the Options.

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## 1. Details of the SPP Option Offer

### 1.1 Background

TNG is offering Eligible Shareholders the opportunity to subscribe, under a share purchase plan (**SPP**), for up to \$15,000 worth of Shares at an issue price of \$0.045 to raise a maximum of \$3,500,000 (before costs).

The SPP is not underwritten. Any Shares not subscribed for by Eligible Shareholders under the SPP will comprise the shortfall (**SPP Shortfall**) and may be offered to institutional or sophisticated investors as a separate placement at the discretion of the Directors, up to the limit available to the Company under its placement capacity in accordance with Listing Rule 7.1.

Eligible Shareholders who subscribe for Shares under the SPP, and investors who subscribe for Shares under the SPP Shortfall (together **SPP Subscribers**), are also being offered one (1) free attaching Option for every two (2) Shares subscribed for. The offer of these Options (**SPP Option Offer**) is being made under this Prospectus.

It is proposed that the Options will be listed on the ASX. Each Option will have an exercise price of \$0.08 per Option and will expire on 31 July 2015 and will otherwise be issued on the terms set out in section 4.5.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.6 for further information regarding the rights and liabilities attaching to the Shares.

The Company has applied to ASX for a waiver of Listing Rule 10.11 to allow Directors who are Eligible Shareholders (and entities controlled by them) to participate in the SPP and in the SPP Option Offer without the approval of TNG Shareholders. The Directors will not be able to participate in the SPP (or the SPP Option Offer) unless the waiver is granted by ASX or TNG Shareholders approval is obtained.

### 1.2 The SPP Option Offer

By this Prospectus, the Company makes an offer of up to 38,888,888 Options to SPP Subscribers (or their nominees) on the basis of one (1) free attaching Option for every two (2) Shares subscribed for under the SPP or the SPP Shortfall, as applicable. Where the determination of the entitlement of any SPP Subscriber results in a fraction of an Option, such fraction will be rounded down to the nearest whole Option.

The Company has as at the date of this Prospectus 447,421,428 Shares and 3,000,000 unlisted Options on issue.

### 1.3 Opening and Closing Dates

The Offers will open on 5 July 2013 (**Opening Date**) and are anticipated to close on 25 July 2013 (**Closing Date**). The Opening Date and Closing Date for the SPP Option Offer are indicative only and subject to change without notice. The Company may vary these dates, including to close the SPP Option Offer early, extend the Closing Date or to withdraw the SPP Option Offer at any time prior to issue. If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the Opening Date.

The Company will accept Application Forms for the SPP Option Offer from the Opening Date until 5.00pm WST on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

## **1.4 Minimum and Maximum Subscription**

There is no minimum subscription under the SPP Option Offer.

The amount to be raised under the SPP is capped at \$3,500,000. This means that the SPP Option Offer is capped at 38,888,888 Options. If acceptances are received in respect of more than 38,888,888 Options, acceptances will be scaled back in accordance with the mechanisms described in the SPP documents accompanying this Prospectus.

## **1.5 Applying for Options**

If you would like to apply for Options, please complete the enclosed combined application form (**Application Form**) which accompanies this Prospectus and return it to the Registry:

Computershare Investor Services Pty Limited  
GPO BOX 505  
Melbourne, Victoria, Australia 3001

An applicant may only accept the SPP Option Offer on the basis of one (1) Option for every two (2) Shares subscribed for pursuant to the SPP or the SPP Shortfall.

The SPP Option Offers are non-renounceable. Accordingly, a subscriber may not sell or transfer all or part of their entitlement.

If the number of Options subscribed for is more than the number of Options to which the applicant is entitled under the SPP Option Offer (including because of scale back of Shares to be issued under the SPP – see "Applications may be scaled back" in the SPP offer booklet), the Company reserves the right to return the Application Form and not issue any Options to the applicant or to accept it in respect of a lesser number of Options.

The return of a completed Application Form will constitute the Eligible Shareholder's offer to subscribe for Options on the terms and conditions of this Options Offer. Once an application has been made, it cannot be revoked. No notice of acceptance of the application will be provided by the Company or the Registry.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

## **1.6 No underwriting**

The SPP Option Offer will not be underwritten.

## **1.7 Issue of Options and sending of security holder statements**

The Company will not be obliged to allot any Options and the Applicant will not be entitled to receive or be issued any Options until the Board resolves to allot the Options.

The Directors expect that Options under the SPP Option Offer will be allotted and issued on or about 1 August 2013. Holding statements in relation to those Options are expected to be dispatched by 2 August 2013.

Applicants who sell Options before they receive their holding statements will do so at their own risk. The Company and the Registry disclaim all liability, whether in negligence or otherwise, to any person who trades in Options before receiving their holding statement, whether on the basis of a confirmation of allocation provided by the Company, the Registry, a broker or otherwise.

## **1.8 ASX quotation**

Application has been made to ASX for the Official Quotation of the Options offered by this Prospectus. Subject to approval being granted by ASX, it is expected that the quotation and

trading of Options issued under the SPP Option Offer will commence within five Business Days after their date of issue. If permission is not granted by ASX for the Official Quotation of the Options offered by this Prospectus within 3 months after the date of this Prospectus, the Company will repay, as soon as practicable, without interest, all application monies received pursuant to this Prospectus, or take such other action as allowed under the Corporations Act.

## **1.9 SPP Shortfall**

Any Shares not subscribed for by Eligible Shareholders under the SPP will comprise the SPP Shortfall and may be offered to institutional or sophisticated investors as a separate placement at the discretion of the Directors (**SPP Shortfall Offer**).

The SPP Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open after the Closing Date. Subscribers under the SPP Shortfall Offer will be offered Shares at the same issue price at which the Eligible Shareholders were offered Shares under the SPP, together with 1 free attaching Option for every 2 Shares subscribed for, pursuant to this Prospectus.

Unless Shareholder approval is sought and obtained, the SPP Shortfall Offer will be limited to the number of Securities which may be issued by the Company under its placement capacity in accordance with Listing Rule 7.1. TNG's placement capacity is currently 41,410,567 Securities, but this will decrease by the number of Options issued under the SPP Option Offer. Shares issued under the SPP will fall within an exception to Listing Rule 7.1 and will not count towards TNG's placement capacity.

The Directors do not represent that any application to participate in the SPP Shortfall Offer will be successful. The Company reserves the right to issue to an applicant for Shares under the SPP Shortfall Offer a lesser number of Shares than the number applied for or reject an application or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shares issued is less than the number applied for, surplus application monies will be refunded in full. Interest will not be paid on any application monies refunded.

If you are invited to subscribe for Shares pursuant to the SPP Shortfall Offer, and you wish to subscribe, please complete an SPP Shortfall Application Form. The SPP Shortfall Application Form allows you to apply for both Shares offered under the SPP Shortfall Offer and Options offered under this Prospectus.

## **1.10 Taxation implications**

The Directors do not consider it appropriate to give Shareholders or potential investors advice regarding the taxation consequences of subscribing for Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or potential investors. As a result, Shareholders and potential investors should consult their professional tax adviser in connection with subscribing for Options under this Prospectus.

## **1.11 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2012 is in the Annual Report which was announced on the ASX on 27 September 2012. A summary of the major activities and financial information relating to the Company for the half year ended 31 December 2012 is in the Half Year Report which was announced on the ASX on 13 March 2013.

A summary of activities relating to the Company is also set out in the quarterly activities reports lodged with ASX on 16 April 2013. The Company's continuous disclosure notices (i.e. ASX announcements) since the date of lodgement of the Annual Report on 27 September 2012 are listed in Section 4.3.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders and potential investors review these and all other announcements prior to deciding whether or not to subscribe for Options under this Prospectus.

### **1.12 CHESS and issuer sponsorship**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. All trading on ASX in Shares and in Options will be settled through CHESS. ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532 (**ASTC**), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Options Clearing House Business Rules.

The Company's Registry operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. Both these sub-registers constitute the Company's principal register of shareholders.

Holders of Options will not receive a certificate but will receive a statement of their holding of Options.

If you are broker sponsored or other participant in CHESS, ASTC will send you a CHESS statement. The CHESS statement will set out the number of Options issued under this Prospectus, provide details of your holder identification number and the terms and conditions applicable to the Options, including a notice to exercise the Options.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Computershare Investor Services Pty Limited and will contain the number of Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

### **1.13 Enquiries concerning Prospectus**

Enquiries concerning SPP Application Forms can be made by contacting Computershare Registry Services Pty Ltd by telephone on +61 8 9323 2000.

Enquiries relating to the SPP Option Offer and this Prospectus should be directed to the Company Secretary by telephone on +61 8 9327 0900.



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## 2. Risk factors

This section discusses some of the key risks associated with an investment in TNG Securities. A number of risks and uncertainties, which are both specific to TNG and of a more general nature, may adversely affect the operating and financial performance or position of TNG, which in turn may affect the value of TNG Securities and the value of an investment in TNG.

The risks and uncertainties described below are not an exhaustive list of the risks facing TNG or associated with an investment in TNG. Additional risks and uncertainties may also become important factors that adversely affect TNG's operating and financial performance or position.

This document is not financial product advice and has been prepared without taking into account your investment objectives or personal circumstances. Before investing in TNG Securities, you should consider whether an investment in TNG Securities is suitable for you. Potential investors should consider publicly available information on TNG (such as that available on the websites of TNG and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

### 2.1 TNG specific risks

#### (a) Litigation Risks

##### (i) Constructive Trust Claim

In the period September to December 1998 management control of TNG was held by interests associated with Davis Samuel Pty Ltd (**Davis Samuel**). The Davis Samuel nominee Directors committed TNG to a series of transactions involving expenditure totalling \$1,526,000. The ASX ruled that those transactions required shareholder approval. Shareholders subsequently voted against approving those transactions.

In December 1998, TNG entered into a settlement agreement with Davis Samuel and its Directors which effectively provided for the repayment of the funds expended, and TNG would in turn transfer its Securities and options in Kanowna Lights Limited (the **Kanowna Securities**) to Davis Samuel.

The Commonwealth of Australia (the **Commonwealth**) in proceedings in the Supreme Court of the Australian Capital Territory claimed that it was entitled to a constructive trust over the Kanowna Securities and obtained an injunction preventing TNG from selling or otherwise disposing of the Kanowna Securities. The Commonwealth claimed that, as constructive trustee, TNG is liable to account for the highest value of the Kanowna Securities at the time they were acquired. The Commonwealth gave an undertaking as to damages.

Subsequently, in September 1999, Davis Samuel purported to rescind the December 1998 Settlement Agreement.

The Commonwealth is on notice that if TNG suffers damages as a result of the Commonwealth's injunction, and the Commonwealth ultimately fails to prove its constructive trust claim, TNG will claim the damages from the Commonwealth.

The Commonwealth claims that it is entitled to \$1,274,000 for the value of the Kanowna Securities plus interest since early 2000. If TNG is unsuccessful in the proceedings, it may also be liable to pay the Commonwealth costs, bringing the total liability to an expected maximum of approximately \$3,400,000.

TNG, as a party to the proceedings instituted by the Commonwealth, issued cross-claims against Davis Samuel and several other parties including

Messrs Allan Endresz, Peter Cain, William Forge, David Muir and Peter Clark.

TNG is also vigorously defending the Commonwealth claims. The court hearing commenced in June 2008 and concluded in the last quarter of 2008. The court reserved its decision. In November 2009, TNG advised that certain of the other defendants had sought to have the case re-opened. The submissions to re-open were heard on 9 November 2009 and 5 February 2010. The Commonwealth and TNG opposed the application to reopen. The court also reserved its decision on that application.

TNG has been advised by the court that the decisions were anticipated to be handed down on various dates which have since passed. TNG, through its lawyers and the ACT Law Society, has sought further information as to when the decisions will be delivered. The latest information received in February 2013 suggested that decisions were likely to be given by early August 2013, though TNG does not know whether this indicative timetable will be met.

Any adverse finding made against TNG which cannot be successfully recovered from cross claims made against other parties may result in TNG being liable to pay up to the amount claimed by the Commonwealth. TNG may also be liable for costs of the proceedings if awarded against it, as well as its own legal costs.

(ii) **Subscription agreement**

On 7 November 2011, TNG signed a subscription agreement with Ao-Zhong International Mineral Resources Pty Ltd (a subsidiary of the East China Mineral Exploration & Development Bureau (**ECE**)) and Aosu Investment and Development Co. Pty. Ltd. (together the **Subscribers**), formalising the previously announced strategic partnership with ECE (**Subscription Agreement**).

Under the Subscription Agreement, TNG represented and warranted to the Subscribers that any liability which any court may order TNG to pay in respect of legal proceedings known as The Commonwealth v TNG Limited (**Davis Samuel Claim**) will not exceed a value of \$500,000. If this representation and warranty is found to be incorrect (following the final determination of the Davis Samuel Claim after any avenues of appeal which any party to the Davis Samuel Claim elects to pursue have been exhausted), TNG will be liable to pay as liquidated damages to the Subscribers an amount that is the lesser of:

- (A) \$1,500,000; or
- (B) court ordered liability (including for damages and costs other than TNG's own legal costs incurred before the date of the Subscription Agreement) x 29.999%.

The Subscribers were unwilling to enter into the Subscription Agreement unless TNG included this clause to compensate the Subscribers (up to a cap of \$1,500,000) in respect of any liability incurred as a result of the Davis Samuel Claim (if TNG's liability exceeds \$500,000). Whilst TNG is anticipating it will continue to incur legal costs, as identified above, it is vigorously defending the claim. TNG does not anticipate that its liability (as defined in the Subscription Agreement) in respect of the Davis Samuel Claim will exceed \$500,000.

(b) **Capital requirements and impact on operations**

TNG's operations including the development of the Mount Peake project and continued exploration of its other projects will require substantial expenditures. The funds raised through the SPP, even if fully subscribed, together with cash reserves will not be sufficient to successfully achieve all the potential project objectives. TNG's overall business strategy is to obtain assistance via partnership, joint venture or other means to fully finance and develop its projects.

There is no assurance that TNG will be successful in raising additional capital under the SPP or the SPP Shortfall offer or in the future as and when it is required or obtaining assistance via partnership, joint venture or other means to fully finance and develop its projects. Failure to obtain additional funding or assistance via partnership, joint venture or other means to fully finance and develop its projects may cause TNG to postpone any development plans, forfeit rights to some or all of its projects or reduce its operating structures, including staff and overhead levels, which may delay or suspend TNG's overall business strategy and could have a material adverse effect on TNG's activities.

Any additional equity financing may be dilutive to TNG's existing shareholders and any debt financing, if available, may involve restrictive covenants which limit TNG's operations and business strategy.

(c) **Mount Peake Project**

The Company's Mount Peake Project is a Vanadium – Titanium – Iron deposit located on Pastoral Lease land, 300km north-northwest of Alice Springs in the Northern Territory, close to existing road, rail and gas infrastructure.

The Company progressed the project to Pre-Feasibility (**PFS**) stage in 2012.

The 2012 PFS results were independently prepared by Mineral Engineering Technical Services (**METS**) (which provided process and infrastructure design and related capital and operating costs analysis), Snowden Mining Consultants (which provided mine design, mining costs and financial analysis) and Sinclair Knight Merz (which provided PFS management and transport costs analysis) to an accuracy level of  $\pm 25$  per cent, which is typical for a PFS and provides a strong platform to progress to a Definitive Feasibility Study (**DFS**)

The results of the PFS were based on assumptions by the consultants on a number of items including but not limited to:

- (i) commodity prices;
- (ii) exchange rates;
- (iii) total material mined;
- (iv) strip ratios;
- (v) mine life;
- (vi) processing rate (life-of-mine);
- (vii) average head grade and recoveries;
- (viii) operating costs; and
- (ix) capital construction costs.

Based on the positive results of the PFS the Company is currently undertaking a Definitive Feasibility Study (DFS) into the project to confirm the economic viability of developing and mining the resource. As part of this process the Company has undertaken further drilling activities and metallurgical studies, and will engage consultants for logistical and commodity studies, with a view to refining capital and operating expenditures to a more accurate level as part of the DFS.

This is no guarantee that the DFS will confirm the assumptions used in the PFS or the results of the PFS or indicate that the development of Mount Peake Project is economically viable. Even if the DFS indicates that the project is economically viable the project will be subject to further detailed studies, finance arrangements, agreements and regulatory approvals before a decision to commence a mining operation can be made. There is no guarantee that these steps will result in the project being economically viable or progressing to mining operations.

(d) **TIVAN<sup>®</sup> Metallurgical Process**

The Company has, in conjunction with METS, developed a metallurgical process for the recovery of high purity vanadium from the Mount Peake deposit, and this process is subject to an international patent application (patent pending) and the process

registered with the trademark name of TIVAN (**TIVAN® process**). This process was developed to extract commercial grades of vanadium, titanium and iron from the Mount Peake ore.

As part of the DFS, the Company, in conjunction with METS, has engaged the Commonwealth Scientific & Industrial Research Organisation (**CSIRO**) to complete a definitive pilot plant trial representing the next phase in the Company's metallurgical test work program at Mount Peake.

CSIRO has been engaged to undertake the design, construction and operation of a pilot plant to provide critical information for the scale-up to an industrial-sized plant for the Mount Peake mining operation.

While all test work to date and pilot plant test work conducted in 2012 has indicated that the TIVAN® process can successfully produce high purity aqueous solutions leading to the production of high-purity vanadium pentoxide, iron-oxide and titanium-dioxide, until the final pilot test work is completed, there is no guarantee that the TIVAN® process will up-scale to an industrial-sized plant for use on the Mount Peake Project. If the process cannot be up-scaled the financial viability of the project may be impacted.

(e) **Intellectual property**

TNG regards its patents, copyrights, trademarks, trade secrets and similar intellectual property (including that relating to the TIVAN® process) as important. TNG relies on patent, trademark and copyright law, trade secret protection and duties of confidence with third parties to protect its intellectual property rights. While TNG will use all reasonable endeavours to protect these rights, the steps that TNG takes to protect its intellectual property rights may be inadequate. The unauthorised use or disclosure of its proprietary technology and systems may have adverse effects on the future operation and financial performance of TNG.

(f) **Manbarrum and Mount Hardy projects**

The Mount Hardy Copper–Gold project is located 220 km North of Alice Springs in the Northern Territory on a pastoral lease. The Manbarrum Lead-Zinc-Silver project is located 82 Kilometres northeast of Kununurra and is wholly located within the Northern Territory. The locations of these projects are considered by TNG to be culturally and environmentally sensitive.

There is a substantial level of regulation and restriction on the ability of mining companies to have access to land in Australia. The Native Title Act 1993 (Cwth) gives statutory recognition of claims of native title. See further details in paragraph (k) below.

The Company's operations at Manbarrum and Mount Hardy will also be subject to environmental regulation. See paragraph (l) below.

TNG has applied for exemptions from expenditure obligations in relation to various tenements forming part of the Manbarrum Project. Failure to meet obligations renders the tenements subject to forfeiture unless exemptions are granted. Whilst, based on previous experience, TNG is confident that the applications for exemption from minimum expenditure commitments will be granted, these applications have not yet been processed and if an application for an exemption was to be refused for some reason, there is a risk that the tenement would be forfeited.

(g) **Reliance on key personnel**

TNG is reliant on its management. The loss of one or more of these individuals could adversely affect TNG.

In addition, TNG's ability to achieve its business goals effectively will require it to continue to implement and improve its management systems and to recruit and train

new employees and consultants. Although TNG expects to be able to do so in the future, there can be no assurance that TNG will be able to attract and retain skilled and experienced personnel and consultants.

(h) **Joint venture parties, contractors and agents**

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which TNG may be or become a party; or insolvency or other managerial failure by any of the contractors used by TNG in any of its activities; or insolvency or other managerial failure by any of the other service providers used by TNG for any activity.

(i) **Exploration, development, mining and processing risks**

Mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable ore resources;
- (ii) successful conclusions to bankable feasibility studies;
- (iii) access to adequate capital for project development;
- (iv) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (v) securing and maintaining title to tenements;
- (vi) obtaining consents and approvals necessary for the conduct of exploration and mining;
- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants;
- (viii) native title risks (see also below); and
- (ix) adverse weather conditions which, over a prolonged period can adversely affect exploration and mining operations and the timing of revenues; and
- (x) operational and technical risks arising once production commences.

Whether or not income will result from development of tenements depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development and mining operations.

(j) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through testwork to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(k) **Native title**

TNG may from time to time, need to negotiate with any native title claimant for access rights to its tenements. In addition, agreement will need to be reached with native title claimants and/or holders in the event of mining. There may be significant delays and costs associated with these negotiations and to reach agreement acceptable to all relevant parties.

(l) **Environmental management**

TNG's operations are and will be subject to environmental regulation. Environmental regulations are likely to evolve in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance and assessments of proposed projects. Environmental regulations could impact on the viability of TNG's projects. TNG may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining or other activities for which it was not responsible.

(m) **Title**

All mining tenements which TNG may acquire either by application, sale and purchase or farm-in are regulated by the applicable state mining legislation.

There is no guarantee that applications will be granted as applied for (although TNG has no reason to believe that tenements will not be granted in due course). Various conditions may also be imposed as a condition of grant. In addition the relevant minister may need to consent to any transfer of tenement to TNG.

Renewal of titles is made by way of application to the relevant department. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable state mining legislation. In addition, the relevant department may impose conditions on any renewal, including relinquishment of ground.

(n) **Resource estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when made may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should TNG encounter mineralisation or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted and this may affect the viability of future operations.

(o) **Option and dilution risk**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Options will, at any particular time, have an exercise price which is lower than the price of Shares. The Options may be "out of the money" and may therefore have little or no value, and may expire at a time when they have no value.

On completion of the SPP Option Offer, there will be a further 38,888,888 Options on issue (assuming the SPP and all SPP Option Offers under this Prospectus are fully subscribed and no other Options are granted or exercised).

If exercised, these Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 7.40%. However, each Option has an exercise price of \$0.08 which means that the Company will receive additional funds of up to approximately \$3,111,111 upon exercise of the Options, if all Options the subject of the SPP Option Offer are exercised.

## **2.2 General risks**

(a) **Share market**

Share market conditions may affect the price at which TNG's securities trade regardless of operating performance. Share market conditions are affected by many factors, such as:

- (i) general economic outlook;
- (ii) movements in, or outlook in, interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) commodity prices;
- (v) changes in investor sentiment towards particular market sectors; and
- (vi) the demand for, and supply of, capital.

Eligible Shareholders should recognise that the price of TNG Securities may fall as well as rise. Many factors will affect the price of TNG Securities including local and international stock markets, movements in interest rates, economic conditions and investor sentiment generally. In addition, the commencement of, or escalation in, any war, armed conflict, hostilities between nations, civil unrest or terrorist activities may affect the price of TNG Securities.

(b) **Commodity prices**

Commodity prices are influenced by physical and investment demand for those commodities. Fluctuations in commodity prices may influence and have an effect on the economic viability of individual projects in which TNG has an interest.

(c) **Economic factors**

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices and stock market processes. TNG's future possible revenues and securities prices can be affected by these factors, which are beyond the control of TNG and its Directors.

(d) **Government policy**

Industry profitability can be affected by changes in government, both within Australia and externally, which are not within the control of TNG. TNG's activities are subject to extensive laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of TNG's tenements, the extent of which cannot be predicted.

## 2.3 Speculative investment

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus. Potential investors should consider that an investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Options pursuant to this Prospectus.

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### 3. Purpose and effect of the SPP Option Offer

This Section 3 is prepared on the basis that the SPP is fully subscribed (in which case all Options will be issued under the SPP Option Offer and none will be issued pursuant to the SPP Shortfall). The position will not be materially different from that set out below if some Options are issued under the SPP Option Offer and some under the SPP Shortfall.

#### 3.1 Purpose of the SPP Option Offer

The SPP Option Offer is being made in accordance with the Company's announced intention to offer one (1) free attaching Option for every two (2) Shares subscribed for under the SPP and SPP Shortfall Offer.

No funds will be raised from the SPP Option Offer. Funds raised under the SPP will be used to progress the ongoing Definitive Feasibility Study (DFS) on the Company's flagship Mount Peake Iron-Vanadium-Titanium Project in the Northern Territory, as well as to progress its other exploration projects and for general working capital.

#### 3.2 Effect of the SPP Option Offer

The principal effect of the SPP Option Offer, assuming all Options offered under the Prospectus are granted, will be to increase the number of Options currently on issue by 38,888,888 (assuming that the SPP Option Offer is fully subscribed for).

If all of these 38,888,888 Options are exercised, the Company will be paid exercise proceeds of \$3,111,111 (before costs) and an additional 38,888,888 Shares will be issued to Option holders. The exercise proceeds will be applied towards the Company's general operational and capital expenditure.

#### 3.3 Effect on capital structure

The effect of the SPP Option Offer on the capital structure of the Company, assuming the SPP is fully subscribed for, and all Options offered under this Prospectus are issued (but no other Shares are issued or Options exercised), is set out below:

	Number of Shares	Number of unlisted Options <sup>(1)</sup>	Options Offered under this Prospectus
Balance at the date of this Prospectus <sup>(2)</sup>	447,421,428	3,000,000	-
Maximum to be issued under the SPP	77,777,777	-	-
Maximum to be issued under the -SPP Option Offer <sup>(3)</sup>	-	-	38,888,888
<b>Total securities on issue after the SPP Option Offer</b>	525,199,205	3,000,000	38,888,888
<b>Shares to be issued if conversion of options occurs</b>	41,888,888	(3,000,000)	(38,888,888)
<b>Fully diluted capital position</b>	567,089,093	-	-



(1) Details of Options:

Exercise Date	Exercise Price	Number
26 November 2015	\$0.235	3,000,000

(2) Assuming no Options are exercised prior to the Record date.

(3) The Company will apply for Official Quotation of these Options.

### 3.4 Pro-forma balance sheet

The pro-forma balance sheet is based on the statement of financial position as at 31 May 2013 that has then been adjusted (assuming the SPP is fully subscribed for) to reflect the issue of 77,777,777 Shares pursuant to the SPP, at an issue price of \$0.045 and 38,888,888 free attaching Options pursuant to the SPP Option Offer to raise \$3,500,000 before costs of the SPP and SPP Option Offer of approximately \$64,000. The pro-forma balance sheet is prepared on the basis that the SPP and SPP Option Offer raise \$3,436,000 after costs. This has reflected as an increase in cash reserves with a corresponding increase in issued capital.

The pro-forma, unaudited balance sheet excludes movements from carrying out general business operations. The pro-forma, unaudited balance sheet is illustrative only and may not represent the financial position of the Company following the close of the SPP Option Offer. The pro-forma, unaudited balance sheet does not take into account the effect of any future exercises of Options.

	Unaudited 30 May 2013 (Unaudited)	Adjustments	Pro-forma 30 May 2013 (Unaudited)
<b>Current Assets</b>			
Cash and cash equivalents	2,944,978	3,436,000	6,380,978
Other receivables	403,172	-	403,172
Prepayments	128,947	-	128,947
Other investments	100,000	-	100,000
<b>Total Current Assets</b>	<b>3,577,097</b>	<b>3,436,000</b>	<b>7,013,097</b>
<b>Non-Current Assets</b>			
Plant & equipment	263,515	-	263,515
Exploration and evaluation	22,007,481	-	22,007,481
<b>Total Non-Current Assets</b>	<b>22,270,996</b>	<b>-</b>	<b>22,270,996</b>
<b>Total Assets</b>	<b>25,848,093</b>	<b>3,436,000</b>	<b>29,284,093</b>
<b>Current Liabilities</b>			
Trade and other payables	1,956,092	-	1,956,092
Provisions	127,945	-	127,945
<b>Total Current Liabilities</b>	<b>2,084,037</b>	<b>-</b>	<b>2,084,037</b>
<b>Total Liabilities</b>	<b>2,084,037</b>	<b>-</b>	<b>2,084,037</b>
<b>Net Assets</b>	<b>23,764,056</b>	<b>3,436,000</b>	<b>27,200,056</b>
<b>Equity</b>			
Issued capital	41,891,425	3,436,000	45,827,425
Accumulated losses	(18,127,369)	-	(18,127,369)
<b>Total Equity</b>	<b>23,764,056</b>	<b>3,436,000</b>	<b>27,200,056</b>

### **3.5 Market price of Shares**

The highest and lowest market sale prices of the Company's Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.11 per Share on 3 April 2013

Lowest: \$0.05 per Share on 1 July 2013

The latest available closing sale price of the Company's Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.05 per Share on 1 July 2013.

### **3.6 Dividend policy**

The Company does not currently pay dividends. The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

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## **4. Additional information**

### **4.1 Nature of this Prospectus**

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities to issue a prospectus with less rigorous disclosure requirements if:

- (a) the securities offered by the prospectus were enhanced disclosure securities at all times in the 3 months before the date of the prospectus; and
- (b) during the shorter of the period during which the securities were quoted and the period of 12 months before the date of the prospectus, the company was not subject to certain exemptions or declarations prescribed by the Corporations Act.

Securities are enhanced disclosure securities if:

- (a) the company is included in the official list of ASX; and
- (b) the ASX Listing Rules apply to those securities.

The information in this Prospectus principally concerns the terms and conditions of the SPP Option Offer and the information necessary to make an informed assessment of:

- (a) the effect of the SPP Option Offer on the Company;
- (b) the rights and liabilities attaching to the Options offered by this Prospectus; and
- (c) the rights and liabilities attaching to the underlying Shares.

As the Company has been listed on ASX since 18 February 1971, a substantial amount of information concerning the Company has previously been notified to ASX and is therefore publicly available.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Options.

### **4.2 Regular reporting and disclosure obligations**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify ASX of information about specified events and matters as they arise for the purposes of ASX making that information available to the stock market conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information of which it becomes aware concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities in the Company.

The Company is also required to prepare and lodge with ASIC both yearly and half yearly financial statements accompanied by a Directors' statement and report and an auditor's report.

All announcements made by the Company are available from ASX.

### 4.3 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC.

During the period that the SPP Option Offer remains open, the Company will provide free of charge to any person who requests it, a copy of:

- (a) the Company's annual financial report for the year ended 30 June 2012, being the last financial year for which an annual financial report has been lodged with the ASIC in relation to the Company before the issue of this Prospectus;
- (b) the Company's financial report for the half-year ended 31 December 2012 lodged with ASIC after the lodgement of the annual report referred to in paragraph (a) and before the date of lodgement of this Prospectus; and
- (c) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company after 27 September 2012 (being the date of lodgement of the most recent Annual Report referred to in paragraph (a)) and the date of issue of this Prospectus. These notices are listed below:

Date	Description of announcement
27/06/2013	Company and Project updates
18/06/2013	Sandover Announcement Competent Persons Statement Replaced
13/06/2013	Old Park Lane Research Note Update
12/06/2013	New Targets at Mt Hardy expands potential
11/06/2013	TNG kick off new Copper-Gold exploration at Sandover project
6/06/2013	Boardroom Radio Broadcast - Mr Paul Burton
5/06/2013	Hardman & Co update
4/06/2013	Initial Director's Interest Notice ME
4/06/2013	Final Director's Interest Notice NB
4/06/2013	Old Park Lane Research Note Update
31/05/2013	TNG Announces Board Changes
29/05/2013	Mount Peake update
22/05/2013	Boardroom Radio Broadcast - Mr Paul Burton
20/05/2013	High grade Polymetallic zones in latest Mt Hardy drilling
17/05/2013	Change in substantial holding
15/05/2013	Amended Appendix 3B
15/05/2013	Appendix 3B
15/05/2013	TNG Expands Capital Raising to \$1.45M
13/05/2013	More High grade Copper and Gold, Mt Hardy
8/05/2013	Hardman & Co Flash Note
8/05/2013	Capital Raising
6/05/2013	Trading Halt
1/05/2013	Boardroom Radio Broadcast - Mr Paul Burton
30/04/2013	Old Park Lane Research Note Update
29/04/2013	Further Copper and Gold intersections, Mt Hardy
19/04/2013	Old Park Lane Research Note Update
19/04/2013	Hardman & Co Flash Note
18/04/2013	Initial Diamond Drill results, Mt Hardy Project, NT
16/04/2013	Quarterly Cashflow Report
16/04/2013	Quarterly Activities Report

26/03/2013	Additional Information on the Mount Peake Resource
26/03/2013	Hardman & Co Research Report Update
20/03/2013	Open Briefing by MD - Strategic Metals For Global Growth
20/03/2013	Technical Presentation at AGES, Alice Springs
19/03/2013	Old Park Lane Research Note Update
19/03/2013	MD Presentation Mines & Money Hong Kong
18/03/2013	Mount Peake JORC Resource update
13/03/2013	Half Year Accounts
11/03/2013	Diamond Drilling Commences at Mount Hardy
8/03/2013	Hardman & Co Research Report Update
1/03/2013	IP Survey Commences, Mount Hardy
25/02/2013	Significant new Diamond Drill results, Mount Peake Project
12/02/2013	MD Presentation, Global Resources Investing , Abu Dhabi
11/02/2013	Old Park Lane Capital Research Report Update
11/02/2013	Boardroom Radio Broadcast - Mr Paul Burton
8/02/2013	Mount Peake Resource Drilling Update
7/02/2013	ARCON Appointed for Mount Peake DFS
6/02/2013	Major Boost to Mount Peake Project Economics
4/02/2013	Gravity Survey Commences at Mount Hardy Copper Project
1/02/2013	NT Government Media Release Port Agreement
1/02/2013	Old Park Lane Capital Research Report Update
31/01/2013	Port Agreement for Mount Peake Project
30/01/2013	Formal Agreement with CSIRO for TIVAN
29/01/2013	TIVAN - MoU signed with leading Engineering Company
23/01/2013	Old Park Lane Capital Research Report Update
23/01/2013	Boardroom Radio Broadcast - Mr Paul Burton
22/01/2013	RC and DHEM Results confirm Mount Hardy potential
18/01/2013	TNG Appoints GHD to Complete EIS for Mount Peake
16/01/2013	Quarterly Cashflow Report
16/01/2013	Quarterly Activities Report
18/12/2012	Appendix 3B
17/12/2012	Change of Director's Interest Notice SC
17/12/2012	Change of Director's Interest Notice PB
17/12/2012	Change of Director's Interest Notice NB
17/12/2012	Change of Director's Interest Notice RT
13/12/2012	Old Park Lane Capital Research Report Update
12/12/2012	Boardroom Radio Broadcast - Mr Paul Burton
12/12/2012	Appendix 3B
12/12/2012	Breakaway Research Report Update
12/12/2012	Old Park Lane Capital Research Report Update
11/12/2012	Mount Peake Project Development Update
10/12/2012	High Grade Copper Results from Mt Hardy Core
10/12/2012	Trading Halt
30/11/2012	MD Presentation to UK Investors Rayleigh Capital London
29/11/2012	Change of Director's Interest Notice PB
29/11/2012	Change of Director's Interest Notice ZW
28/11/2012	Amended Appendix 3B and Cleansing Notice
28/11/2012	Appendix 3B and Cleansing Notice

28/11/2012	MD presentation -Aust Resources Investment, Zurich & Geneva
23/11/2012	Boardroom Radio Broadcast - Mr Paul Burton
23/11/2012	Hardman & Co Research Report Update
22/11/2012	Old Park Lane Capital Research Note Update
22/11/2012	Boardroom Radio Broadcast - Mr Paul Burton
22/11/2012	Results of Meeting
21/11/2012	AGM Chairmans Statement and MD Presentation
21/11/2012	AGM Exercise Price of Options
21/11/2012	First Drill Assay Results Confirm Copper Sulphides, Mt Hardy
15/11/2012	Additional EL acquisition, Mt Hardy Copper project
9/11/2012	Hardman & Co Research Note Update
8/11/2012	Old Park Lane Capital Research Note Update
7/11/2012	Sulphides Intersected in First Drill Hole at Mount Hardy
5/11/2012	Drilling Underway at TNG NT Copper and Vanadium Projects
1/11/2012	Appointment of Project Director
26/10/2012	Boardroom Radio Broadcast - Mr Paul Burton
25/10/2012	Old Park Lane Capital Research Note Update
24/10/2012	Major Drilling Programmes to Commence
23/10/2012	TIVAN Patent Update
22/10/2012	Quarterly Cashflow Report
22/10/2012	Quarterly Activities Report
19/10/2012	Notice of Annual General Meeting/Proxy Form
16/10/2012	Annual Report to shareholders
15/10/2012	Boardroom Radio Broadcast - Mr Paul Burton
15/10/2012	OPL Research note - playing the long game
12/10/2012	Boardroom Radio Broadcast
11/10/2012	Old Park Lane Note-High-grade results confirmed at Mt Hardy
10/10/2012	High Grade Laboratory Results Mount Hardy Project
9/10/2012	Breakaway Research Report
9/10/2012	Boardroom Radio Broadcast
2/10/2012	Presentation - Resource Rising Stars
2/10/2012	Sample Clarification and Update Mt Hardy Copper Project NT
28/09/2012	Hardman & Co Research Report Update
28/09/2012	BRR Webcast-Managing Director Interview on Mt Hardy Project

#### 4.4 No information excluded from continuous disclosure

Other than as set out in this Prospectus and the accompanying documents, there is no information which:

- (a) has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the Options being offered.

## 4.5 Rights and liabilities attaching to the Options

The Options to be granted under this Prospectus will be granted on the following terms and conditions:

(a) Entitlement

Subject to adjustment in accordance with these terms and conditions, each Option entitles the Optionholder to subscribe for one (1) unissued Share upon payment of the Exercise Price before the Expiry Date.

(b) Exercise Price

The exercise price of each Option is \$0.08 (**Exercise Price**).

(c) Expiry Date

An Option is exercisable at any time after the date of grant and on or before 5.00pm (WST) on 31 July 2015 (**Expiry Date**). Options that are not exercised by the Expiry Date lapse.

(d) Notice of Exercise

The Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Option being exercised. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) Minimum number of Options exercised

The Optionholder may not exercise less than 1,000 Options at any one time, unless the Optionholder has less than 1,000 Options in which event the Optionholder must exercise all their Options together.

(f) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the Shares of the Company on issue at the date of this Prospectus.

(g) Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of Shares issued upon the exercise of the Options.

(h) No certificate

No certificate will be issued if the Options are granted quotation on ASX.

(i) Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

(i) issue the Share; and

(ii) do all such acts matters and things to obtain the grant of quotation for the Share on ASX no later than 10 business days from the date of exercise of the Option.

(j) Participation in new issues

An Optionholder may participate in new issues of securities to holders of Shares only if and to the extent that:

- (i) an Option has been exercised; and
- (ii) a Share has been issued in respect of the exercise before the record date for determining entitlements to the new issue.

The Company must give notice to the Optionholder of any new issue not less than 6 Business Days before the record date for determining entitlements to the issue.

(k) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for rights issue

If the Company makes a pro-rata issue of Shares to existing Shareholders (other than a bonus issue) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S+D)]}{N+1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one (1) Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro-rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro-rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) new Share.

(m) Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) Quotation of Options

Application for quotation of the Options has been made by the Company.

(o) Options transferable



The Options are transferable. Options may be transferred in the same manner as Shares unless classified as restricted securities under the ASX Listing Rules and may be exercised by any other person or body corporate.

(p) Exercise instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

(q) Voting and dividend rights

The Options carry no rights to vote at a meeting of Shareholders, and no rights to dividends.

## 4.6 Rights attaching to Shares

A summary of the rights attaching to Shares in the Company is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek independent legal advice.

(a) Voting

At a general meeting, on a show of hands every Shareholder present in person has one vote. At the taking of a poll, every Shareholder present in person or by proxy and whose Shares are fully paid has one vote for each of his or her Shares. On a poll, the holder of a partly paid share has a fraction of a vote with respect to the share. The fraction is equivalent to the proportion which the amount paid (not credited) bears to the total amount paid and payable (excluding amounts credited).

(b) General meetings

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, financial statements and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act and the Listing Rules.

(c) Dividends

The Directors may pay to Shareholders any interim and final dividends as, in the Directors' judgement, the financial position of the Company justifies. The Directors may fix the amount, the record date for determining eligibility and the method of payment. All dividends must be paid to the Shareholders in proportion to the number and the amount paid on the Shares held.

(d) Transfer of Shares

Generally, all Shares in the Company are freely transferable subject to the procedural requirements of the Constitution, and to the provisions of the Corporations Act, the Listing Rules and the ASTC Operating Rules. The Directors may decline to register an instrument of transfer received where the transfer is not in registrable form or where refusal is permitted under the Listing Rules or the ASTC Operating Rules. If the Directors decline to register a transfer the Company must give reasons for the refusal. The Directors must decline to register a transfer when required by the Corporations Act, the Listing Rules or the ASTC Operating Rules.

(e) Variation of rights

The Company may only modify or vary the rights attaching to any Shares with the prior approval by a special resolution of the Shareholders, or with the written consent of the holders of at least three-fourths of the issued Shares.

(f) Directors

The minimum number of Directors is three and the maximum is ten. Currently, there are six Directors. Directors must retire on a rotational basis so that one-third of Directors must retire at each annual general meeting. Any other Director who has been in office for three or more years must also retire. A retiring Director is eligible for re-election. The Directors may appoint a director either in addition to existing Directors or to fill a casual vacancy, who then holds office until the next annual general meeting.

(g) Decisions of Directors

Questions arising at a meeting of Directors are decided by a majority of votes. The Chairman has a casting vote.

(h) Issue of further shares

Subject to the Constitution, the Corporations Act and the Listing Rules, the Directors may issue, or grant options in respect of, Shares to such persons on such terms as they think fit. In particular, the Directors may issue preference shares, including redeemable preference shares, and may issue shares with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on winding up.

(i) Officers' indemnity

To the full extent permitted by the law and to the extent not covered by insurance, the Company must indemnify each officer of the Company against all losses and liabilities incurred by the person as an officer of the Company, including costs and expenses incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted or in connection with relief granted to the person in an application under the Corporations Act in respect to such proceedings.

(j) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting. At least 28 days' notice of the intention to propose the special resolution must be given.

(k) ASX Listing Rules prevail

To the extent that there are any inconsistencies between the Constitution and the Listing Rules, the Listing Rules prevail.

## **4.7 Directors' interests**

(a) Except as disclosed in this Prospectus, no Director or proposed director, and no firm in which a Director or proposed director has an interest:

- (i) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the SPP Option Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the SPP Option Offer; or
- (ii) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for

services rendered by him or her in connection with the formation or promotion of the Company or the SPP Option Offer.

- (b) The table below shows the interest of each Director (whether held directly or indirectly) in Securities as at the date of this Prospectus:

	Shares	Unlisted options
Zhigang Wang	59,808,643	2,000,000
Rex Turkington	3,388,000	-
Paul Burton	6,750,000	-
Geoffrey Crow	2,537,205	-
Michael Evans	285,715	-
Jianrong Xu	-	-

Directors may hold the relevant interests in Shares shown above directly, or through holdings by companies, trusts or other persons with whom they are associated.

The Company has applied to ASX for a waiver of Listing Rule 10.11 to allow Directors who are Eligible Shareholders (or entities controlled by them) to participate in the SPP and the SPP Option Offer without the approval of TNG Shareholders. This waiver is required because the offer of Options as part of the SPP means that the exception in the Listing Rules for offers to directors under a security purchase plan does not apply to the SPP.

#### 4.8 Directors remuneration

The Constitution specifies that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. Each director receives a fee for being a director of the Company.

Directors received the following remuneration for the previous two financial years:

2013 (11 Months)

Director	Directors Fees and Salary (\$)	Superannuation (\$)	Consulting Fees (\$)	Share Based Awards (\$)	Total (\$)
Jianrong Xu	55,000	-	-	-	55,000
Paul Burton	301,346	27,121	-	323,918	652,385
Geoffrey Crow	55,000	-	-	97,689	152,689
Michael Evans	-	-	-	-	-
Rex Turkington	55,000	-	25,026	97,689	177,716
Zhigang Wang	55,000	-	13,500	61,699	130,199

Director	Directors Fees and Salary (\$)	Superannuation (\$)	Consulting Fees (\$)	Share Based Awards (\$)	Total (\$)
Jianrong Xu	6,385	-	-	-	6,385
Paul Burton	333,846	32,673	-	-	366,519
Geoffrey Crow	60,000	-	18,000	-	78,000
Rex Turkington	35,692	-	55,004	-	90,697
Zhigang wang	27,308	-	-	-	27,308

#### 4.9 Deeds of Indemnity, Access and Insurance

The Company has entered into a deed of indemnity, access and insurance with each of its Directors and the Company Secretary. Under these deeds, the Company indemnifies each Director and the Company Secretary to the maximum extent permitted by law against any liability (as defined in the deed) in connection with any Director's (or Company Secretary's) act connected with being a Director (or Company Secretary) of the Company or any subsidiary.

The deeds also provide that the Company agrees to insure the Director (or Company Secretary) to the extent permitted by law against liabilities incurred by the Director (or Company Secretary) when acting in such a capacity. The policy must be maintained during the period from which the Director is an officer to the later of: the date which is 7 years after the Director ceases to be an officer of the Company; and the date any relevant proceedings have been finally resolved.

During the period from which the Director is an officer to the later of: the date which is 7 years after the Director ceases to be an officer of the Company; and the date any relevant proceedings have been finally resolved, the Director (or Company Secretary) is entitled, during business hours to have access to the Company books in connection with an investigation or inquiry by an authority or external administrator into the affairs of the Company or a subsidiary or into any Director's (or Company Secretary's) act or any other purpose as approved by the Board.

#### 4.10 Interests of other persons

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, and no promoter of the Company holds, or held at any time during the last 2 years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the SPP Option Offer; or
- (c) the SPP Option Offer,

and no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given to any of these persons for services rendered by them in connection with the formation or promotion of the Company or in connection with the SPP Option Offer. Clifford Chance have acted as solicitors to the Company in connection with the SPP Option Offer and the other issues noted in section 1.1. The Company estimates that it will pay Clifford Chance approximately \$22,500 (excluding GST and disbursements) for these legal services.

SLR Consulting Pty Ltd, a company of which Mr Simon Robertson (the Company Secretary) is a director, has provided consulting services in connection with the SPP Option Offer and the other issues noted in section 1.1. The Company estimates that it will pay SLR Consulting Pty Ltd

approximately \$5,000 (excluding GST and disbursements) for these services. SLR Consulting Pty Ltd currently holds 1,000,000 Shares issued to it under the TNG Loan Funded NED and Consultant Share Plan. Mr Robertson has an indirect beneficial interest in an additional 506,250 Shares.

#### 4.11 Expenses of SPP Option Offer

The estimated expenses of the SPP and SPP Option Offer are as follows:

	\$
ASIC Lodgement fee	2,171
ASX quotation fee	19,200
Legal and preparation expenses	27,500
Printing, mailing and other expenses	15,000
<b>Total</b>	<u>63,871</u>

#### 4.12 Consents

Each of the parties referred to in this Section:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus other than as specified in this Section;
- (c) has not made any statement on which a statement in this Prospectus is based, other than as specified in this Section; and
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus other than the reference to its name and the statement (if any) included in this Prospectus with the consent of that party as specified in this Section.

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with the ASIC:

Clifford Chance have given, and at the time of lodgement of this Prospectus, have not withdrawn, their written consent to being named in this Prospectus as solicitors to the Company in respect of the SPP Option Offer and the other issues noted in Section 1.1 in the form and context in which they are named.

SLR Consulting Pty Ltd has given, and at the time of lodgement of this Prospectus, has not withdrawn, its written consent to being named in this Prospectus as consultant to the Company in respect of the SPP Option Offer and the other issues noted in Section 1.1 in the form and context in which it is named.

Computershare Investor Services Pty Limited has given and, as at the date of this Prospectus, has not withdrawn, its written consent to be named as share registrar in the form and context in which it is named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as share registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

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## 5 Director's authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section

720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to be 'P. Burton', with a stylized, flowing script.

Paul Burton  
**Managing Director**  
**TNG Limited**

Dated: 1 July 2013

## Glossary of terms

**\$** means Australian dollars.

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Options made on an Application Form.

**Application Form** means an SPP Application Form or an SPP Shortfall Application Form (as the context requires).

**ASIC** means Australian Securities and Investments Commission.

**ASTC** means ASX Settlement Pty Ltd ACN 008 504 532.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means the date identified as such in the indicative timetable, or such other date as announced to ASX by the Company.

**Company** or **TNG** means TNG Limited ACN 000 817 023.

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means Corporations Act 2001 (Cth).

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the Listing Rules of ASX.

**Official List** means the official list of ASX.

**Official Quotation** means quotation of Options on the Official List.

**Offer Period** means the period between the Opening Date and the Closing Date.

**Opening Date** means the date identified as such in the indicative timetable, or such other date as announced to ASX by the Company.

**Option** means the right to acquire one Share on the exercise of the option, on the terms and conditions set out in Section 4.5.

**Optionholder** means a holder of Options.

**Prospectus** means this prospectus dated 1 July 2013 and lodged with ASIC and includes any supplementary or replacement prospectus.

**Record Date** means 5:00pm (WST) on the date identified as such in the indicative timetable, or such other date as announced to ASX by the Company.

**Registry** means Computershare Investor Services Pty Limited ACN 078 279 277;

**Related Party** has the meaning it has in the Corporations Act.

**Section** means a section of this Prospectus.

**Security** means a Share or Option.

**Shareholders** means a holder of Shares.

**Share** means an ordinary fully paid share in the capital of the Company.

**SPP** means the share purchase plan referred to in Section 1.1.

**SPP Application Form** means the application form under the SPP and either attached to or accompanying this Prospectus.

**SPP Option Offer** means the offer of Options as set out in Section 1.

**SPP Shortfall** means Shares not subscribed for by Eligible Shareholders under the SPP.

**SPP Shortfall Application Form** means an application form provided by the Company on which applications under the SPP Shortfall can be made.

**SPP Subscriber** means an investor who has subscribed under the SPP or the SPP Shortfall.

**WST** means Australian Western Standard Time.