

ASX ANNOUNCEMENT

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PROJECTS

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

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TNG SUBMITS NOTICE OF INTENT FOR MOUNT PEAKE PROJECT

Key milestone for world-scale strategic metals project on the pathway to financing and development

TNG Limited (ASX: TNG) is pleased to advise that it has submitted to the Minister for Mines and Energy, the Hon Willem Westra Van Holthe a Notice of Intent (NOI) for its flagship **Mount Peake Vanadium-Iron-Titanium Project** in the Northern Territory, marking a key step in the approvals process leading towards development of the world-scale strategic metals project.

The NOI provides formal notification to the Northern Territory Government and other interested parties of TNG's intention to develop the Mount Peake Project.

The NOI provides an overview of the proposed activities, the environmental and social aspects and the proposed management strategies to be adopted by TNG in developing and operating the Mount Peake Project.

TNG's Managing Director, Mr Paul Burton, also discussed the Company's development plans for Mount Peake at a meeting with the Northern Territory Chief Minister, the Hon. Adam Giles MLA, in Darwin yesterday, outlining its vision to develop a substantial strategic metals mining, processing and export operation based on the Mount Peake deposit, which is located 235km north-west of Alice Springs in the Arunta Mineral Province.

TNG commenced a Definitive Feasibility Study (DFS) on the Mount Peake Project earlier this year after delivering a highly successful Pre-Feasibility Study (PFS) in 2012.

Mr Burton said the submission of the NOI was an important step in the overall project timeline, clearly demonstrating the Company's intention to move ahead with financing and development of this substantial project.

"While we have recently moved into a cost reduction mode in response to the current challenging economic conditions, we are able to continue to progress aspects of the Mount Peake Project in a cost-effective and focused manner to ensure that it continues to move towards development in a timely manner. Submission of the NOI is one such important step.

"Mount Peake comprises a large strategic *Measured/Indicated/Inferred* Resource of some 160 million tonnes¹ of magnetite-hosted vanadium, titanium and iron which has the potential to support a profitable, long-life mining and downstream processing operation," Mr Burton said.

¹See Appendix 1 for resource category breakdown

“This would be the first operation of this type in the Northern Territory (NT), representing a unique opportunity to create future value for both the people and the economy of the NT by developing a substantial strategic mineral resource supply industry,” he added

“It may also help to stimulate other new exploration and mining developments in the Western Arunta Province, which is one of the most prospective yet under-explored mineral provinces in Australia,” Mr Burton added.

The 2012 PFS outlined a robust project capable of generating Life of Mine revenues of A\$13 billion and operating cash flows of over A\$5 billion during its initial 20-year life. These figures will be confirmed as part of the current Definitive Feasibility Study.

A key component of the Mount Peake Project is a proprietary processing technology developed by TNG known as the TIVAN™ Process which produces high purity vanadium-pentoxide, iron-oxide and titanium dioxide. Commodity prices for vanadium pentoxide and titanium-dioxide in particular have been stable despite other commodity price falls.

Full details of the Mount Peake Pre-Feasibility Study are available in the company's ASX Announcement – 9th July 2012.

While it is currently reducing all significant cost outlays in line with current market conditions, TNG is continuing to progress preliminary discussions with third parties regarding opportunities to secure external funding to complete the DFS as well as to potentially contribute a proportion of development expenditure for the Mount Peake Project. The Company will provide an update on its corporate and project development strategy in due course.

Mr Burton said TNG was looking forward to working closely with the NT Government and other stakeholders to progress the development of Mount Peake, which is one of the largest emerging vanadium projects in the world.

“Mount Peake is a great asset for TNG and for the Northern Territory and we are looking forward to unlocking its value for our shareholders and for the benefit of the people of the NT and Australia,” he said.

“The future demand outlook for strategic metals remains bright, particularly as the world economy improves and China moves to a more mature phase of expansion and growth which will require increasing volumes of these metals. In particular, we expect to see increasing use of high purity vanadium pentoxide in new technologies, batteries and electricity storage, as well as high- strength metal alloys and high-quality steels,” he added.

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Appendix One Mount Peake Resource Statement

An upgraded resource for the Mount Peake Deposit was reported to the ASX on 18th and 26th March 2013. It was based on 102 RC drill holes and 24 diamond drill holes totalling 16858 metres, and was calculated by Snowden Mining Industry Consultants using a 0.1% V₂O₅ cutoff grade. The mineral resource estimate was completed in accordance with the guidelines of the JORC Code (2012 Edition). The breakdown between Measured, Indicated and Inferred Resource categories is shown in Table 1 below. 88% of this overall Mineral Resource is either Measured or Indicated status – categories sufficient to use as the basis for estimating Proven/Probable Ore Reserves. This work will form part of the currently underway Definitive Feasibility Study

Table 1. Mineral Resource Estimate for the Mount Peake Deposit (March 2013)

Category	Tonnes (Mt)	V ₂ O ₅ %	TiO ₂ %	Fe%	Al ₂ O ₃ %	SiO ₂ %
Measured	120	0.29	5.5	24	8.2	33
Indicated	20	0.28	5.3	22	9.1	34
Inferred	22	0.22	4.4	19	10.0	38
TOTAL	160	0.28	5.3	23	8.6	34

Forward-Looking Statements

This announcement has been prepared by TNG Ltd. This announcement is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

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Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by Exploration Manager Mr Kim Grey B.Sc. and M. Econ. Geol. Mr Grey is a member of the Australian Institute of Geoscientists and a full time employee of TNG Limited. Mr Grey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grey consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.

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