

ASX ANNOUNCEMENT

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PROJECTS

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

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TNG SIGNS KEY AGREEMENT WITH KOREA'S WOJIN FOR VANADIUM OFF-TAKE AND MARKETING

Includes agreement on WOJIN technology exchange with potential to boost ferro-vanadium production

HIGHLIGHTS

- Letter of Intent (LOI) signed with leading Korean ferro-vanadium group, WOJIN IND. CO. Ltd for vanadium off-take from TNG's flagship Mount Peake Vanadium-Titanium-Iron Project in the NT.
- Discussions on binding off-take agreements, including marketing and sales, will commence immediately.
- Agreements will also include the potential exchange of WOJIN's proprietary technology, which may be incorporated with TNG's TIVAN[®] hydrometallurgical process for additional ferro-vanadium production.

TNG Limited (ASX: TNG) is pleased to announce that it has cemented its strategic relationship with the major Korean-based ferro-vanadium producer **WOJIN IND., CO., LTD., (WJN)** after signing a Letter of Intent that paves the way for binding agreements on vanadium off-take and marketing for its flagship **Mount Peake Vanadium-Titanium-Iron Project**.

The execution of this document follows an initial broad Memorandum of Understanding (MOU) signed between WJN and TNG in March 2014. Since then, the parties have worked closely together to develop mutual understanding and cooperation to pursue binding agreements in relation to the Mount Peake Project.

This included a visit from WJN's Chairman, Mr In Jong Ki, and General Manager, Mr Eddie Choi, to Darwin and Perth, Australia from May 12 to 15, 2014.

The outcome of that visit was very positive and the parties have now confirmed their intention to enter into future binding agreements by committing to this Letter of Intent in relation to vanadium products to be produced from Mount Peake.

The conversion of this MOU to future binding agreements will mark another important step in TNG's strategy of attracting Tier One global partners to the financing, development and off-take for the Mount Peake Project.

TNG is currently at an advanced stage of a Definitive Feasibility Study on the Mount Peake development, which will be a world-class, long-life strategic metals project producing three highly valuable products: high-purity vanadium pentoxide (V_2O_5), iron oxide (Fe_2O_3) and titanium dioxide (TiO_2).

Subject to a satisfactory agreements and approvals, the parties agree to enter into binding agreements for:

1. The purchase and sale of a portion (to be determined) of Mount Peake's vanadium products, including but not limited to:
 - Vanadium Pentoxide (V_2O_5)
 - Vanadium Trioxide (V_2O_3)
2. All sales are to be subject to commercial terms agreed in a subsequent binding off-take agreement.
3. The potential technology exchange and development for added value products: The parties will consider cooperating in value adding projects for Mount Peake's product including but not limited to the production of:
 - Ferro-Vanadium (FeV) – using WOOJIN's proprietary technology (subject to transfer fee agreement)
 - Vanadium Carbonitride (VCN)
4. WOOJIN will support TNG with regards to technology, know-how and potential sources of funding.
5. The potential for the establishment of a marketing and sales platform to jointly distribute Mount Peake's vanadium products, its by-products as well as other products upon mutual agreement. Subject to commercial terms agreement, this potential platform could market and distribute up to and not limited to 100% of all vanadium products produced by TNG.
6. The potential to progress and implement other mutually beneficial arrangements with a focus on funding TNG's Bankable Feasibility Study (BFS). WJN possesses a strong network of business partners in Korea and globally that could be interested in funding the whole or part of TNG's BFS. WJN will seek to promote TNG as an investment opportunity to these parties.

WOOJIN developed its proprietary FeV conversion technology in 1990. The process enables the company to achieve the highest vanadium recovery in the world at a low conversion cost. The addition of this process to the TIVAN[®] plant would provide further added value products for global distribution.

Under the agreement, TNG may provide samples of its magnetite concentrate and vanadium pentoxide (V_2O_5) for potential future off-take arrangements, with the added potential for technology exchange for TNG to add a WOOJIN FeV plant to its TIVAN[®] operation, which may potentially be located in Malaysia (see ASX Release – 18 March 2014).

TNG's Managing Director, Mr Paul Burton, said the agreement represented a further important milestone for the Company towards development of the Mount Peake Project and securing vital strategic partnerships for future product off-take and marketing.

“WOOJIN is an advanced company with a strong Research & Development capability that represents a good fit with our proprietary TIVAN[®] downstream processing technology. The companies have many synergies and we look forward to mutually beneficial growth.”

This LOI follows the recent MOU signed with POSCO E&C for the completion of a Feasibility Study and subsequent development of the Mount Peake Project (see ASX Announcement – 25 May 2014).

Paul E Burton
Managing Director

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