

## ASX ANNOUNCEMENT

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ASX CODE: TNG

## REGISTERED OFFICE

TNG Limited  
Level 1, 282 Rokeby Road  
Subiaco, Western Australia 6008

T +61 8 9327 0900

F +61 8 9327 0901

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

E [corporate@tngltd.com.au](mailto:corporate@tngltd.com.au)

ABN 12 000 817 023

## DIRECTORS

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

## COMPANY SECRETARY

Simon Robertson

## 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

## CONTACT DETAILS

Paul Burton | +61 8 9327 0900  
Nicholas Read | +61 419 929 046  
Simon Robertson | +61 8 9327 0900

## TNG SECURES LOI FOR GLOBAL LOGISTICS, PRE-PRODUCTION FUNDING AND TITANIUM OFF-TAKE

***TNG secures Letter of Intent with global chemical products distributor as support for Mount Peake Project***

### HIGHLIGHTS

- **Further to the Memorandum of Understanding (“MOU”) signed with Australian chemical products distributor Global-Pacific Partners (“GPP”) announced 17 June 2014, TNG has today signed a Letter of Intent (LOI) with GPP to progress binding agreements for the following:**
  - *The management of TNG’s global logistical services for Mount Peake products by GPP, including transport, storage and stock management of products from the mine site to its TIVAN™ processing plant;*
  - *GPP to review and consider pre-production funding of the Mount Peake Project; and*
  - *GPP to distribute and market the off-take of Mount Peake’s titanium dioxide products on a fixed rate basis to TNG.*
- **This LOI represents the next step towards formal agreements between the parties as strategic allies.**

TNG Limited (ASX: TNG) is pleased to announce that it has taken an additional step towards securing binding agreements for the supply of logistics services, pre-production funding and off-take of titanium products from its **Mount Peake Vanadium-Titanium-Iron Project** after signing a Letter of Intent (LOI) with global chemical products distributor **Global Pacific Partners (GPP)**.

The execution of this document follows an initial broad Memorandum of Understanding (MOU), signed between TNG and GPP on 17 June 2014, by defining the scope of future discussion to include the management of TNG’s logistics needs by GPP and giving the parties further time to negotiate formal agreements.

GPP, a diversified global chemical distributor, is a division of Soda Ash Holding BV, a Dutch Holding Company that controls a number of chemical distributors globally. This makes it the world’s largest independent distributor of soda ash, reselling over 1 million tonnes globally throughout Central and South America, Eastern Europe, Oceania and other markets.

With global offices and a vast distribution network, the group has chosen GPP to be the strategic platform focusing on growing its chemical distribution business.

The LOI will now focus discussions between the two companies to consider binding agreements on the following:

- A logistics services agreement whereby GPP manages all of TNG's logistics requirements including the transport, storage and stock management of products from the Mount Peake mine site to Malaysia (where its TIVAN™ downstream processing plant is proposed to be located), and from Malaysia to world-wide end-users;
- GPP undertaking due diligence and review of the Mount Peake Project to consider the provision of pre-production funding; and
- A distribution agreement whereby GPP distributes and markets the off-take of Mount Peake's titanium products.

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 ( $TiO_2$ ).

The conversion of the LOI with GPP 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's Managing Director, Mr Paul Burton, said the signing of the LOI particularly for the provision of logistics management and shipping services, provides some additional certainty for putting the Mount Peake project into operation. In addition, the potential for some pre-production funding may provide some certainty to future project funding providers and the off-take of our titanium products, all represent a potential boost for the Mount Peake Project. "GPP is a part of an international group with a strong depth of capabilities in the areas of logistics, shipping, distribution and marketing," Mr Burton said.

"We consider it significant to add this capability from GPP to our high quality portfolio of global partners which already includes groups such POSCO E&C, Hyundai Steel and WOOJIN.

"We look forward to continue working with the team at GPP towards mutually beneficial binding agreements as part of the overall development framework for this world-class project," he added.

**Paul E Burton**  
**Managing Director**

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**Inquiries:**

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

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