

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 TO EXTEND DRILLING PROGRAM AFTER RECEIVING CLEARANCE FOR HIGH-GRADE NT IRON PROSPECT

*Drill rig to be mobilised to Legune iron prospect following
completion of McArthur River base metals program*

TNG Limited (ASX: TNG) is pleased to advise that it will extend its current NT drill program to include initial reconnaissance testing of the high-grade **Legune hematite prospect**, located on its 100%-owned Manbarrum Zinc-Silver Project, after receiving full clearance from the Aboriginal Areas Protection Authority (AAPA) and the Traditional Owners to proceed with the highly anticipated program.

The diamond drilling program commenced in August to test key graphite targets at the Company's flagship Mount Peake Vanadium Project, as well as two large base metal targets at the McArthur River Project (see *ASX Announcement – 20 August 2014*).

With the timely receipt of the drill clearance for the Legune hematite prospect, the program will now be extended following completion of the McArthur River program. The graphite phase of the drilling has been successful, as reported to the market on 17 September.

The Legune hematite prospect was originally discovered by TNG in 2008 (see *ASX Announcement – 2 July 2008, and 22 January 2014*). High-grade hematite grading up to 67% Fe occurs on top of a hill within the Manbarrum Zinc-Silver Project licence area.

The prospectivity of the hill at the time was considered high and could be the result of either an iron cap to an additional zinc-lead-silver MVT deposit or a prominent ironstone cap produced by the weathering of iron sulphides associated with the prevalent Mississippi Valley Type (MVT) base metal deposits in the area.

Recent reconnaissance exploration has confirmed that the Legune Prospect comprises a low-lying hill with an extensive hematite cap (see *Photo 1 and 2 below*).



Photo 1: Legune Hill hematite prospect, NT



Photo 2: Hematite outcrop, Legune prospect

Drilling will commence with two reconnaissance diamond drill holes located on the top of the hill. The current drill programme at the McArthur River Project is nearing completion and the drill rig will be mobilised immediately to Legune. Drilling is expected to commence next week.

The Manbarrum Project remains a significant strategic iron and base metal asset in a highly prospective region. The Project comprises two large deposits, Sandy Creek and Djibitgun, containing extensive zinc-lead-silver mineralisation plus numerous untested exploration prospects.

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Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets are based on information 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 2004 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.

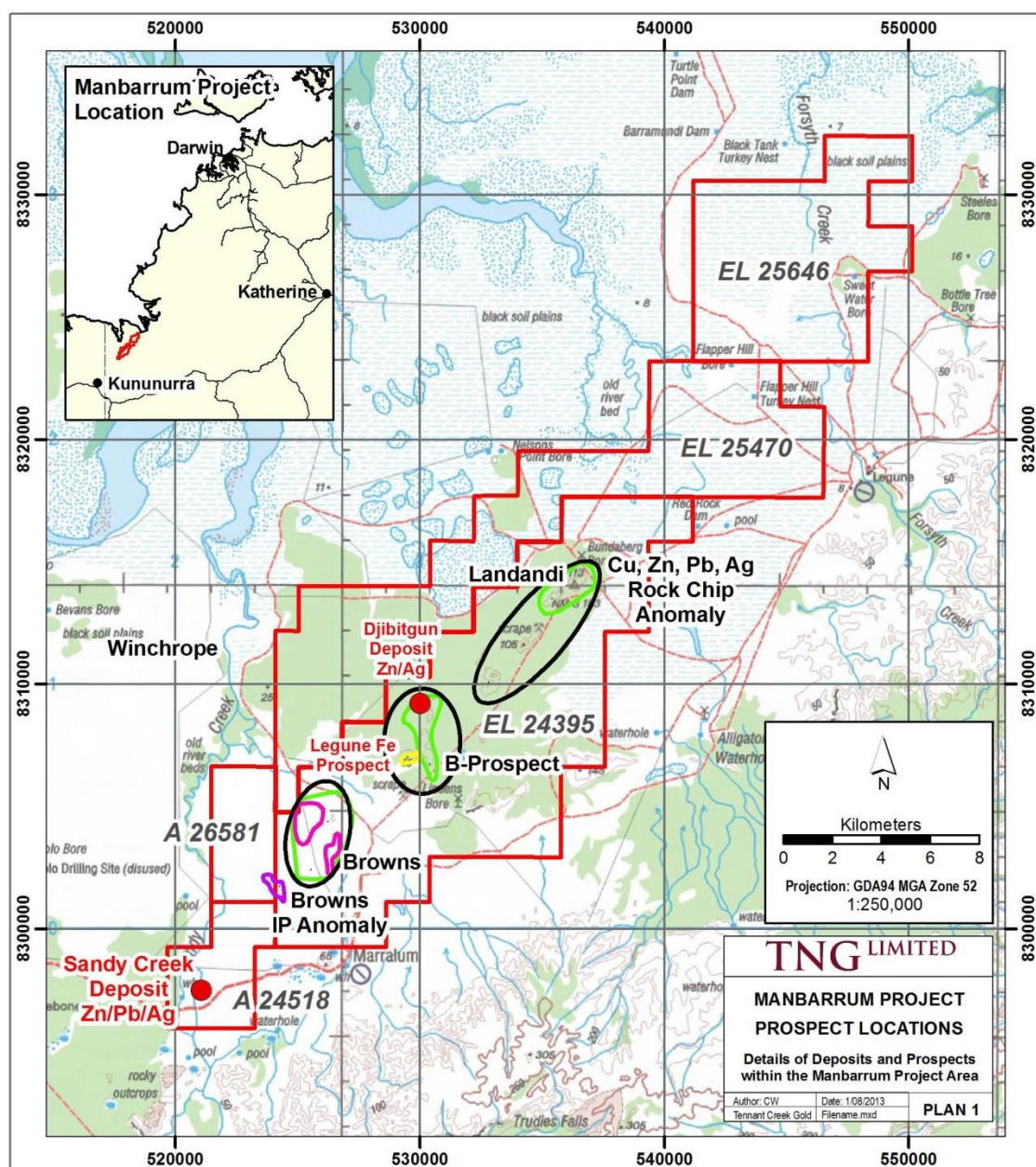


Figure 1: Location of Manbarrum Project and Legune Propsect.