TNG^{LIMITED}

ASX ANNOUNCEMENT

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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 E corporate@tngltd.com.au

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 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

SIGNIFICANT SULPHIDE INTERSECTIONS INDICATE POTENTIAL NEW DISCOVERY AT MCARTHUR RIVER ZINC PROJECT, NT

Recently completed diamond drilling intersects +20m sulphide zones in two holes located within an extensive 12km long anomalous zone

Key Points

- Strong visible sulphide intervals (5-15%) logged in both diamond drill holes in the lower Wollogorang Formation:
 - **25m of visible sulphides** from 60m down-hole (14MCDDH001)
 - **23m of visible sulphides** from 81m down-hole (14MCDDH002)
- Two holes completed for a total of 351.8m within an extensive 12km long anomalous zone.
- Core now in Darwin for HyLogging.
- Samples to be submitted for analysis later in October, with assay results expected in early November.
- The rig has now moved to the Manbarrum Project north of Kununurra, to drill the high-grade Legune iron prospect.

TNG Limited (ASX: TNG) is pleased to announce that recently completed diamond drilling at its 100%-owned **McArthur River Zinc Project** in the Northern Territory (Figure 1) has intersected broad zones of visible sulphides in two locations six kilometres apart, within an extensive zone of highly anomalous zinc-copper-lead.

Both holes intersected thick organic-rich black shale intervals containing between 5 and 15% (visually estimated) extremely fine sulphides in the Wollogorang Formation target unit.

The two drill targets at McArthur River were outlined in the ASX Announcement of 20th September. Each was located on combined geochemical and geophysical anomalies, and positioned to intersect the prospective geological sequence adjacent to a major regional structure.

The McArthur River Project is located 60km south-west of the worldclass McArthur River Zinc Mine operated by Xstrata, and within the Batten Fault Zone which hosts several other areas of base metal mineralisation, including the recently outlined Teena Deposit (Rox/Teck).

The Project comprises two granted ELs (27711 and 30085) for a total area of 223km² (Figure 1).

Work completed over the last three years by TNG has confirmed the potential of the central portion of the Wollogorang Formation to host economic zinc-lead-silver-copper mineralisation of a similar style to that found at McArthur River.

Both holes were drilled dipping steeply down to the west to obtain near true thickness intercepts. Hole location information is provided in Table 1 below, with full details outlined in Appendix One. The rig was a track-mounted Alton HD900 contracted from the Northern Territory contractor Grid Drilling.

Hole_ID	Easting	Northing	Depth	Dip	Azimuth	Tenement
14MCDDH001	597,375	8,112,575	151.2	-75	270	EL 27711
14MCDDH002	594,575	8,108,475	200.6	-75	270	EL 30085

Both holes intersected over 20m of black organic-rich shales with sulphide contents in the 5-15% range (Figure 2):

- 25m of visible sulphides from 60-85m down-hole in the northern hole, 14MCDDH001; and
- 23m of visible sulphides from 81-104m down-hole in the southern hole, 14MCDDH002.

All sulphide was disseminated, very fine grained and stratiform, defining the mm-scale bedding planes in the shale. More abundant sulphide layers had identifiable pyritic brassy colour, but most was too fine to identify. Sulphide laminae wrap the dolomitic ovoids, which get larger towards the base of the Ovoid Beds unit.



Figure 2: Typical Wollogorang Formation within the Ovoid Beds sub unit, hole 14MCDDH002 at 91m. Black organic-rich and laminated shale While sulphides do not show, as they are too fine-grained, they comprise over 10% of this section; a pale dolomitic ovoid shows clearly on the left. The HQ core is 63mm in diameter.

Figure 3 is an interpretive geological cross-section through the southern hole with the sulphide rich portion of the Wollogorang Formation highlighted, emphasising the strike and prospectively of this unit.

This style of mineralisation has similarities with the HYC deposit at McArthur River, some 60km to the north. HYC is one of the top three zinc mines in the world, with over 170Mt of resource remaining today after 20 years of mining.



Figure 3: Cross-section through hole 14MCDDH002 showing the stratigraphy dipping gently to the east, surface geochemistry, and the mineralised sulphidic zone on the hole trace.

Supergene copper was also encountered in the upper part of hole 14MCDDH002 at around 20m. Bands of azurite and malachite (hydrated copper carbonates) can be seen in Figure 4 within a structure near the base of the Warramana Sandstone unit.

Sampling and analysis will be completed after the core has been HyLogged in the NTGS Core Store in Darwin later this month. HyLogging provides a means to capture detailed mineralogical information from drill core using reflectance spectroscopy and will assist in identifying mineralogy and correlating between holes within the sedimentary sequence. Sample assays are expected in early November.



Figure 4: Core from 20.0m depth in 14MCDDH002, showing the supergene copper minerals azurite (blue) and malachite (green) in the base of the Warramana Sandstone. The HQ core is 63mm in diameter.

The Central Zinc anomaly at McArthur River covers 3km of strike of the "ovoid beds" informal subunit within the lower Wollogorang Formation. Surface soil results include zinc values of up to 1,400ppm and lead values of up to 670ppm, with a strong coincident IP (induced polarisation) geophysical signal.

The northern hole tested a broad geochemical anomaly with zinc values of up to 650ppm, copper to 1,000ppm and lead values of up to 520ppm at the same stratigraphic level. It also had a very strong IP response and was adjacent to a significant regional structure (the Mallapunyah Fault).

The tenements contain some 17 kilometres of the prospective Wollogorang Formation (Figure 5), which wraps around the northern and eastern side of the Mallapunyah Dome (exposing the Settlement Creek Dolerite basement unit). Along the eastern side of the dome, about 12 strike kilometres is patchily anomalous for zinc, lead and copper (see ASX Announcement – 16 September 2013).

TNG's Managing Director, Mr Paul Burton, said the fact that both diamond holes completed at the McArthur River Project had intersected thick sulphide zones nearly six kilometres apart within a highly anomalous zone was a promising result for a reconnaissance drill program.

"While we need to see assay results before making a full assessment of the significance of this discovery, we are very excited about what we have seen to date," he said.

"This is potentially a large zinc-copper-lead system in a world-class mineral province with strong geological correlation to the giant McArthur River Zinc Mine," Mr Burton said. "Once we have full results from these holes, we plan to conduct further down-hole and surface geophysics with a view to defining the extent of the mineralisation and planning further follow-up drilling."

Paul E Burton Managing Director

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Enquiries:

Paul E Burton,

Managing Director + 61 (0) 8 9327 0900

Nicholas Read

Read Corporate + 61 (0) 8 9388 1474

Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets 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.

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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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 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



Figure 1: Location of the McArthur River Tenements and the 2014 drill holes.



Figure 5: Anomalous geochemistry within the prospective Wollogorang Formation.

APPENDIX ONE

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques Drilling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or	No samples have been taken as yet. They will be taken after the core has been Hylogged at the NTGS Core Library, later in October
	standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Average of >00% receiver in all
Dhir sample recovery	and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	intervals.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	All core intervals have a detailed geological log including RQD measurement. Not at resource definition stage.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second- half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	No sampling as yet.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No sampling as yet.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	No sampling as yet.
Locations of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.	Drill holes were picked up using a standard GPS device using multiple point averaging, with accuracy of better than 2 metres for Northing and Easting, and around 3 metres for RL. All coordinates data for the project are in MGA_GDA94 Zone 53.

Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	No sampling as yet. Sampling will be of an exploratory and reconnaissance nature and spacings are insufficient to establish continuity or define Resources.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Both holes were angled down to the west at 75 degrees and so are very close to perpendicular to the bedding/mineralisation direction.
Sample security	The measures taken to ensure sample security.	No sampling as yet.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No sampling as yet. Logging has been completed by a contract geologist with review by the Exploration Manager.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The McArthur River Project comprises two tenements. Drilling was conducted on both EL 27711 and EL 30085, held by Enigma Mining Ltd, a wholly owned subsidiary of TNG Limited. The tenements are in good standing with no know impediments
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The most significant previous work looking for base metals in the area was completed in the late 1960's by AGPL and is available on NTGS open file
Geology	Deposit type, geological setting and style of mineralisation.	The target is Zn-Pb-Cu-Ag mineralisation of a similar style to that found at the McArthur River Mine, some 60km NNE of the project location. The stratiform fine grained and high grade Zn-Pb sulphides are of a SEDEX style.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: Easting and northing of the drill collar Elevation of RL (Reduced Level – elevation above sea level in metres) of the drill collar Dip and azimuth of the hole Down hole length and interception depth Hole length	See Table 1
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	No data aggregation has been applied.
Relationship between mineralisation widths and	These relationships are particularly important in the reporting of Exploration Results.	Each hole is near perpendicular to the mineralisation noted the drill intersections

intercept lengths	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	and so drill intercepts are near to true widths.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figure 1 in the body of the report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	No laboratory results are presented.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Information relating to the drill targets appeared in the ASX release on 20th August 2014.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Samples require analytical results to be received.