

## TNG APPOINTS LEADING EUROPEAN METALLURGICAL GROUP SMS SIEMAG TO OVERSEE FINAL TIVAN® DESIGN

*Final stages of CSIRO Pilot Plant and commercial design for TIVAN® Refinery now underway, paving the way for final process design for the Mount Peake Feasibility Study*

### HIGHLIGHTS

- European-based global engineering giant SMS Siemag appointed to oversee finalisation of design of the improved TIVAN® Process.
- Construction of the final TIVAN® Pilot Plant, incorporating recent improvements, currently nearing completion at the CSIRO facilities in Perth.
- Final testwork program scheduled to commence by end of April, paving the way for commercialisation of the TIVAN® Process and completion of process design for the Mount Peake Feasibility Study.

Australian strategic metals company TNG Limited (ASX: TNG) is pleased to advise that it has contracted **SMS Siemag**, one of world's leading metallurgical engineering and plant building companies, to oversee and coordinate the finalization of the engineering and Pilot Plant test work on the improved TIVAN® Process which underpins the downstream processing route for its flagship **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory.

The Pilot Plant testwork program is scheduled to commence by the end of April at a Pilot Plant facility in the final stages of construction at the CSIRO laboratories and testing facilities in Perth.

SMS Siemag is part of Germany's SMS group, which employs 13,500 people and has annual worldwide sales of approximately €3.5 billion. More information can be found on the company's website at [www.sms-siemag.com](http://www.sms-siemag.com)

SMS will guide the Company's metallurgical consultants, METS Pty Ltd, and the CSIRO through the completion of the final engineering and testing activities and provide independent validation of the technical feasibility of the TIVAN® refinery process.

TNG's patent-pending and improved TIVAN® process, which is currently in Pilot Plant design, is expected to yield substantially improved economics in terms of lower capital requirements, reduced energy consumption as well as the ability to produce a higher value titanium-bearing by-product.

TIVAN® is a proprietary hydrometallurgical process which will enable TNG to commercially extract all three valuable products from the Mount Peake resource – premium (>96%) battery grade vanadium pentoxide (V2O5), titanium dioxide and high-purity iron oxide powder. The TIVAN® Process offers an innovative and cost effective alternative to conventional pyrometallurgical processes for treating vanadium ores.

The Pilot Plant preparation work is advanced with most of the construction completed at the large CSIRO Hydrometallurgical facility in Perth. Final designs following pre-pilot testing and pre-pilot feed material preparation is near-complete and the full testwork program is expected to commence by the end of April.



TNG and SMS Siemag are also in ongoing discussions about SMS' involvement with the engineering, plant and equipment design as the potential supplier for the first TIVAN® refinery.

TNG's Managing Director, Mr Paul Burton, said: "We have selected and involved SMS because of their unique track record and experience in the reliable design and implementation of large-scale metallurgical processing facilities, as well as for their outstanding capabilities in acid-based metal extraction and acid recovery processes, which are key to the successful operation of the TIVAN® Process.

"SMS have an excellent team that have been involved with TIVAN's development, and having them now cross-validate our designs and findings will significantly reduce any remaining technical uncertainty, providing a solid foundation for the completion of our detailed Feasibility Study," he said. "The appointment of SMS adds another Tier-1 partner to our already impressive international team for the delivery of the world-class Mount Peake Project."

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

### **About TNG**

TNG is building a world-scale strategic metals business based on its flagship 100%-owned Mount Peake Vanadium-Titanium-Iron Project in the Northern Territory. Located 235km north of Alice Springs, Mount Peake will be a 20-year plus project producing a suite of high-quality, high-purity strategic metals products for global markets including vanadium pentoxide, iron oxide and titanium dioxide. The project, which will be a top-10 global producer, has received Major Project Facilitation status from the NT Government.

The Mount Peake Feasibility Study is well advanced and due for completion by mid-2015, paving the way for project financing and development to proceed. An integral part of TNG's emerging strategic metals business is its 100% ownership of the unique and patented TIVAN® hydrometallurgical process, which offers significantly lower capital and operating costs, lowers risk and successfully extracts two other valuable metals from the resource in addition to vanadium – titanium dioxide and high-purity iron oxide.

Vanadium is a highly strategic metal which is used as an alloy in steel. It is also in strong demand for use in energy storage, with vanadium redox batteries used to store electricity generated by solar and wind power, and lithium-vanadium ion batteries used to power hybrid cars.

### **Forward-Looking Statements**

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