

Further Key Milestones for Mount Peake as Environmental Approvals Progress

Notice of Intent for the Darwin refinery site submitted to the NT Government

Key Points

- The Notice of Intent for TNG's Darwin refinery has now been submitted to the Northern Territory Government, marking another key step in the overall permitting process for the Mount Peake Vanadium-Titanium-Iron Project.
- The Environmental Impact Statement for the Mount Peake mining operation is nearing completion and expected to be submitted prior to the end of 2015.
- Environmental approvals for the mining operation are expected to be obtained by mid-2016, followed by approvals for the refinery, paving the way for a decision to proceed with refinery construction.

Emerging Australian strategic metals producer, TNG Limited (ASX: TNG), is pleased to advise that the Notice of Intent (NOI) for the proposed downstream refinery site in Darwin for its flagship **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory has now been submitted to the Northern Territory Government, representing a significant milestone in the overall Environmental Impact Study (EIS) assessment process.

The NOI provides formal notification to the Northern Territory Government and other interested parties of TNG's intention to develop the refinery, which will be located within the Middle Arm industrial area 16km to the south-east of Darwin CBD, and includes an overview of the proposed activities, the environmental and social considerations, and the proposed management strategies to be adopted by TNG as part of the development.

The NOI was prepared by GHD, one of the world's leading environmental and resources consulting groups, which was engaged by TNG earlier this year to complete all environmental permitting requirements for the integrated Mount Peake mine and refining operation (*see ASX Announcement – 17 February 2015*). GHD has been closely involved with TNG at Mount Peake since the 2012 Pre-Feasibility Study.

The NOI has been delivered to the Northern Territory Environment Protection Authority (NT EPA). Assessment by the NT EPA of the NOI document will determine the Terms of Reference against which the Refinery will be assessed. GHD will also shortly submit, on TNG's behalf, a referral to the Commonwealth Department of the Environment for determination under the Environment Protection and Biodiversity Conservation Act.

During 2015, TNG elected to split the EIS approvals for the mine and refinery development, due to the physical distance and the differing proposed activities being conducted at the two parts of the operation. The mine and refinery are located over 1,000km from each other, with the only connection being the railway line that will deliver the magnetite concentrate from the mine to the refinery, which is under the control of the rail operator.

The decision to locate the refinery in Darwin was made after considering several options (*see ASX Announcement – 18 March 2014*), and was based on the Northern Territory Government being able to provide suitable land and TNG's desire to maximise the positive economic benefits flowing from the project's development for the Northern Territory economy.

The NOI for the Mount Peake mine site, magnetite processing plant, camp and transport/rail load-out is covered under an existing NOI which was submitted to the NT EPA in July 2013 (*see ASX Announcement – 4th July 2013*). Terms of Reference for this NOI were received later in 2014, allowing all field/site studies to be completed over the last two years. The draft EIS for the mining operation is nearing completion and is expected to be submitted during the December 2015 Quarter.

The completion of the Darwin Refinery NOI marks a major milestone for the planned integrated Mount Peake mine and refinery, and follows the completion of the Feasibility Study and Financial Assessment of the Mount Peake Project (*see ASX Announcement – 31 July 2015*) and continuing progress in securing product off-take agreements (*see ASX Announcement – 7 September 2015*).

The approvals process will continue over the next few months, as dictated by the NT EPA procedure, with the Mount Peake Mine EIS to be submitted shortly with Federal approval expected to be received before July 2016, followed by the Darwin Refinery EIS approval.

Subject to all Government approvals and finance, construction of the Mount Peake Project is expected to commence by the end of 2016, with mining anticipated to commence during 2017 and construction of the refinery is expected to be completed in 2018.

TNG's Managing Director, Mr Paul Burton said the submission of the NOI for the Darwin refinery represented a further significant milestone for the Company and projects development.

"Following a detailed assessment process, Darwin as the location for the Mount Peake Project refinery, which will potentially help TNG generate strong employment and income opportunities for the Northern Territory," he said.

"The submission of this Notice of Intent represents a key step in the overall approvals process, and ticks another important box on the road towards the development of this potentially world-class project."

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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, pig iron 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 was completed in July 2015, demonstrating that the Mount Peake Project will generate outstanding returns and paving the way for final approvals, project financing and development to proceed. An integral part of TNG's emerging strategic metals business is its 100% ownership of the unique TIVAN® hydrometallurgical process, which successfully extracts all three valuable metals from the Mount Peake resource. 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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