

# TNG LIMITED

ABN 12 000 817 023

## SUPPLEMENTARY PROSPECTUS

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### 1. Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 30 November 2016 (**Prospectus**), issued by the Company.

This Supplementary Prospectus is dated 19 December 2016 and was lodged with ASIC on that date. Neither ASIC nor its officers takes any responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Unless the context otherwise requires, defined terms and abbreviations used in this Supplementary Prospectus have the same meanings as given to them in the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus prevails.

This is an important document and should be read in its entirety. If you do not understand it you should consult with your professional advisers without delay.

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### 2. Reasons for Supplementary Prospectus

#### 2.1 Purpose of this document

The purpose of this Supplementary Prospectus is to update the Prospectus to reflect:

- (a) an increase in the maximum amount that may be raised under the SPP from A\$4,000,000 to A\$7,000,000 (before costs); and
- (b) to extend the Closing Date from Monday, 19 December 2016 to Friday, 23 December 2016.

These changes were described in the ASX announcement released to ASX on 19 December 2016, a copy of which is annexed to this Supplementary Prospectus.

#### 2.2 Application Forms

The Application Form enclosed with the SPP Booklet remains valid and Applications for Shares under the SPP and Options under the Supplementary Prospectus must be made using the Application Form (see the Application Form and Section 1.5 of the Prospectus for detailed instructions on how to complete the Application Form and return it by the Closing Date).

Eligible Shareholders who have already applied for Shares under the SPP at the date of this Supplementary Prospectus are not required to re-submit an Application Form unless they wish to apply for additional Shares up to the maximum amount of A\$14,999.99, as referred to in the SPP Offer Booklet released to ASX on 1 December 2016.

Eligible Shareholders who would like to apply but have misplaced their Application Form should contact the Company Secretary any time between 9.00am and 5.00pm (AWST) Monday to Friday on +61 8 9327 0900.

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### **3. Amendments to the Prospectus**

#### **3.1 Revised indicative timetable**

The indicative timetable for the SPP Option Offer is updated under this Supplementary Prospectus as follows:

<b>Event</b>	<b>Date (and time if relevant)</b>
Closing Date	5.00pm AWST, 23 December 2016
Anticipated date for issue of the Options	30 December 2016
Anticipated date for sending holding statements	3 January 2017
Anticipated trading date of Options	3 January 2017

#### **3.2 Updated effect of the revised SPP Option Offer**

Under this Supplementary Prospectus, the principal effect of the SPP Option Offer, assuming all Options offered under the Supplementary Prospectus are issued, will be to increase the number of Options currently on issue by a maximum of 25,925,925 (assuming that the SPP Option Offer is fully subscribed for).

If all of these 25,925,925 Options are exercised, the Company will be paid exercise proceeds of A\$5,185,185 (before costs) and an additional 25,925,925 Shares will be issued to Optionholders.

If exercised, these Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 3.1% (on the basis that the SPP is fully subscribed, all of the Options offered under this Supplementary Prospectus are issued and exercised, no other Shares are issued and no existing options on issue at the date of this Supplementary Prospectus are exercised).

#### **3.3 Updated effect on capital structure**

Under this Supplementary Prospectus, the effect of the SPP Option Offer on the capital structure of the Company, assuming the SPP is fully subscribed for, and all of the Options offered under this Supplementary Prospectus are issued (but no other Shares are issued or options exercised), is set out below:

	<b>Number of Shares</b>	<b>Number of unlisted options (1)</b>	<b>Options Offered under this Supplementary Prospectus</b>
Balance at the date of this Supplementary Prospectus <sup>(2)</sup>	751,772,713	13,000,000	-
Maximum to be issued under the SPP	51,851,851	-	-
Maximum to be issued under the SPP Option Offer <sup>(3)</sup>	-	-	25,925,925
<b>Total Securities on issue after the SPP Option Offer</b>	<b>803,624,564</b>	<b>13,000,000</b>	<b>25,925,925</b>
<b>Shares to be issued if conversion of Options occurs</b>	<b>25,925,925</b>	<b>13,000,000</b>	<b>(25,925,925)</b>
<b>Diluted capital position</b>	<b>829,550,489</b>	<b>13,000,000</b>	<b>-</b>

(1) Details of options:

<b>Exercise Date</b>	<b>Exercise Price</b>	<b>Number</b>
4 January 2017	A\$0.15	1,000,000
6 June 2017	A\$0.15	4,500,000
7 September 2019	A\$0.20	1,500,000
13 December 2019	A\$0.27	6,000,000

(2) Assuming no options are exercised prior to the date of this Supplementary Prospectus.

(3) The Company will apply for Official Quotation of the Options issued under the SPP Option Offer.

### 3.4 Updating pro-forma balance sheet

The pro-forma balance sheet in section 3.4 of the Prospectus is updated under this Supplementary Prospectus as follows:

#### 3.4 Pro-forma balance sheet

The pro-forma balance sheet is based on the statement of financial position as at 31 October 2016 that has then been adjusted (assuming the SPP is fully subscribed for) to reflect the issue of 51,851,851 Shares pursuant to the SPP, at an issue price of A\$0.135 and 25,925,925 free attaching Options pursuant to the SPP Option Offer to raise a maximum amount of A\$7,000,000 before the costs of the SPP and SPP Option Offer. The pro-forma balance sheet is prepared on the basis that the SPP and SPP Option Offer raise A\$6,890,372 after costs (which costs have increased by approximately A\$23,000 as a result of the changes to the Offer). This has been reflected as an increase in cash reserves with a corresponding increase in issued capital.

The pro-forma, unaudited balance sheet excludes movements from carrying out general business operations. The pro-forma, unaudited balance sheet is illustrative only and may not represent the financial position of the Company following the close of the SPP Option Offer. The pro-forma, unaudited balance sheet does not take into account the effect of any future exercises of options.

	Audited 30 June 2016 '000	Unaudited 31 October 2016 '000	Adjustments '000	Unaudited Pro-forma 31 October 2016 '000
Current Assets				
Cash and cash equivalents	7,167	3,826	6,890	10,716
Other receivables	222	118	-	118
Prepayments	77	90	-	90
Other investments	46	46	-	46
<b>Total Current Assets</b>	<b>7,512</b>	<b>4,080</b>	<b>6,890</b>	<b>10,970</b>
Non-Current Assets				
Plant & equipment	119	101	-	101
Exploration and evaluation	24,684	26,950	-	26,950
<b>Total Non-Current Assets</b>	<b>24,803</b>	<b>27,051</b>	<b>-</b>	<b>27,051</b>
<b>Total Assets</b>	<b>32,315</b>	<b>31,131</b>	<b>6,890</b>	<b>38,021</b>
Current Liabilities				
Trade and other payables	761	561	-	561
Provisions	309	330	-	330
<b>Total Current Liabilities</b>	<b>1,070</b>	<b>891</b>	<b>-</b>	<b>891</b>
Non-Current Liabilities				
Provisions	260	260	-	260
<b>Total Non-Current Liabilities</b>	<b>260</b>	<b>260</b>	<b>-</b>	<b>260</b>
<b>Total Liabilities</b>	<b>1,330</b>	<b>1,151</b>	<b>-</b>	<b>1,151</b>
<b>Net Assets</b>	<b>30,985</b>	<b>29,980</b>	<b>6,890</b>	<b>36,870</b>
Equity				
Issued capital	64,944	64,944	6,890	71,834
Reserves	44	44	-	44
Accumulated losses	(34,003)	(35,008)	-	(35,008)
<b>Total Equity</b>	<b>30,985</b>	<b>29,980</b>	<b>6,890</b>	<b>36,870</b>

#### 4. Director's authorisation

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. The Directors do not consider that this Supplementary Prospectus is materially adverse to Shareholders.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC.

This Supplementary Prospectus is signed for and on behalf of Company by:

Paul Burton  
Managing Director  
TNG Limited

Dated: 19 December 2016

## ANNEXURE A

## SPP INCREASED TO \$7M FOLLOWING OUTSTANDING RESPONSE: CLOSING DATE EXTENDED TO FRIDAY, 23 DECEMBER 2016

TNG Limited (ASX: TNG) is pleased to advise that, in light of the exceptionally strong response to its Share Purchase Plan (**SPP**) from eligible shareholders, the Board has resolved to increase the SPP cap from \$4 million to \$7 million (before costs).

In conjunction with this, TNG advises that the closing date for the SPP has been extended from Monday, 19 December 2016 to **Friday, 23 December 2016**, in order to provide additional time for eligible shareholders to participate. All other SPP terms and conditions (as set out in the SPP Offer Booklet released to the ASX on 1 December 2016) remain unchanged.

As detailed in that announcement, eligible shareholders who subscribe for shares under the SPP are also being offered one free attaching option for every two shares subscribed for (**Option Offer**), pursuant to a Prospectus dated 30 November 2016. Later today, TNG intends to lodge with ASIC and release to ASX a Supplementary Prospectus in relation to the Option Offer which will contain updated information regarding the terms of the SPP and Option Offer (and its effect on TNG) to reflect the increased cap and extension described above.

TNG encourages all eligible shareholders to read the Supplementary Prospectus in full (in conjunction with the original Prospectus dated 30 November 2016).

The application form enclosed with the original SPP Offer Booklet remains valid, notwithstanding that it refers to the old closing date of the SPP. Shareholders who have already applied for TNG shares under the SPP are not required to re-submit their application forms unless they wish to apply for additional TNG shares up to the maximum amount of \$14,999.99.

Eligible shareholders who would like to apply but have misplaced their application forms should contact the Company Secretary any time between 9.00am and 5.00pm (AWST) Monday to Friday on +61 8 9327 0900. The revised timetable for the remainder of the SPP offer period is set out below:

Date (and time if relevant)	Event
5pm AWST Friday, 23 December 2016	<b>Closing Date</b> Application Forms together with payment by cheque or money order must be received by this time and date. <b>NOTE:</b> BPAY payments must be received by 4pm AWST, Friday, 23 December 2016 (which is when the BPAY system closes on the Closing Date).
Friday, 30 December 2016	<b>Issue Date</b> The date on which the New Shares and Options are expected to be issued and any scale back of the New Shares and Options is announced.
Tuesday, 3 January 2017	<b>Trading Date</b> The date on which the New Shares and Options are expected to begin trading.
Tuesday, 3 January 2017	<b>Despatch Date</b> Transaction confirmations / holding statements will be sent to shareholders on or around this date.

### Enquiries:

Simon Robertson  
Company Secretary + 61 (0) 8 9327 0900