

4 April 2019

DRILLING PROGRAM UNDERWAY AT MOUNT PEAKE

The program will generate samples for equipment selection testwork to be undertaken by TNG's engineering partner SMS group and also sterilise key areas of the mine site for future infrastructure

Australian strategic metals company TNG Limited (ASX: TNG) ("**TNG**" or the "**Company**") is pleased to advise that it has commenced a drilling program at its flagship 100%-owned **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory, which is designed to achieve the following outcomes:

- generate samples for equipment selection testwork being coordinated by SMS group as part of the Front-End Engineering and Design ("**FEED**") Study being undertaken for Mount Peake;
- complete sterilisation of the proposed sites for the concentrator, ore stockpile and integrated waste landform ("**IWL**") at the mine site; and
- provide additional groundwater monitoring stations in the vicinity of the mining pit.

The Company intends to undertake approximately 1,800 metres of reverse circulation drilling for the program. Drilling activities are expected to be completed during April 2019.

Four holes for 480 metres will be drilled in the initial mining area of the planned open pit to generate several tonnes of samples of ore material. A portion of this material will be dispatched to be crushed and pulverised, and then run through a magnetic separation stage, consistent with the finalised mine site concentrator plant design. The resulting vanadiferous titanomagnetite concentrate will be provided to SMS group to undertake equipment selection testwork as part of the FEED Study currently being undertaken.

Seventeen holes, to depths of between 50 and 100 metres, will be drilled in and around the planned locations of the concentrator, ore stockpile and IWL to complete sterilisation activities ahead of future development activities. The location of the IWL has been moved slightly south and west of the planned mining pit to better accommodate the storage of both mining waste rock and dewatered processing tailings.

The new drill holes will then be incorporated into the on-going ground water monitoring program being undertaken in the vicinity of the planned mining operation, which includes regular water sampling and laboratory analysis and testing. The water monitoring program is a requirement under the mine site environmental approvals for Mount Peake.

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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 long-life project producing a suite of high-quality, high-purity strategic metals products for global markets including vanadium pentoxide, titanium dioxide and iron ore fines. The project, which will be a top-10 global producer, has received Major Project Facilitation status from the Northern Territory Government.

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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