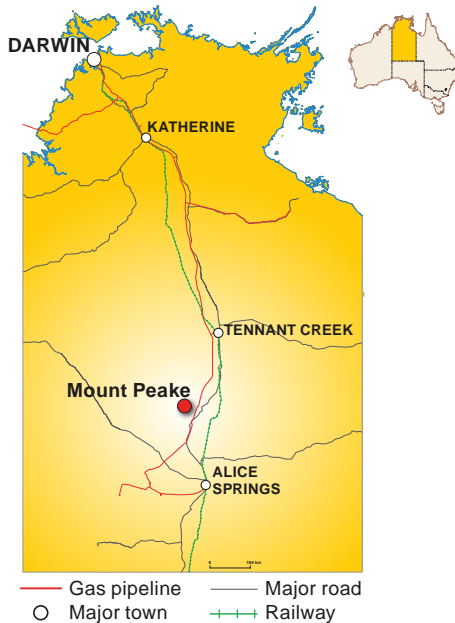


Mount Peake Project

V Ti Fe



Company overview

TNG is a public listed Australian resources company focused on the exploration, evaluation and development of a multi-commodity resources portfolio in the Northern Territory.

ASX: TNG

Market capitalisation:

A\$100 million at 31 December 2015

Number of shares:

714,545,441 at 31 December 2015

Website: www.tngltd.com.au

Resource: Vanadium, titanium, iron

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Australia's Northern Territory

Government

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Investment Attraction Division**

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For more information on this project or others available in the Northern Territory, visit www.core.nt.gov.au

Project overview

The Mount Peake project, an emerging global-scale strategic metals project, is located 235 km northwest of Alice Springs in the Northern Territory close to existing key power and transport infrastructure including the Alice Springs to Darwin Railway and the Stuart Highway. With Measured, Indicated and Inferred Resources totalling 160 Mt, grading 0.28% V₂O₅, 5.3% TiO₂ and 23% Fe, Mount Peake is considered as one of the world's largest new vanadium-titanium-iron projects.

The July 2015 Definitive Feasibility Study (DFS) outlined a very robust project offering a 41% IRR and a 4-year payback, based on average annual production of 17,560 tpa V₂O₅, 236,00 tpa TiO₂ (pigment), 637,000 tpa pig iron. A 3 Mtpa (stage 1) open-pit mining operation would expand to 6 Mtpa after 4 years of production. The company has secured binding life-of-mine offtake agreement for its iron and vanadium products, underpinning part of the project's total revenue forecast of \$23.7 billion over its initial 15-year mine life.

Pilot testwork of the company's proprietary TIVAN[®] hydrometallurgical process has produced vanadium assays of >99% purity, and low-iron titanium dioxide concentrate improved to up to 65% purity, providing an ideal specification for refining to pigment grade.

TNG is also considering a two-stage development option with a low capital cost start-up development producing magnetite concentrate which has the potential to generate early cash flow.

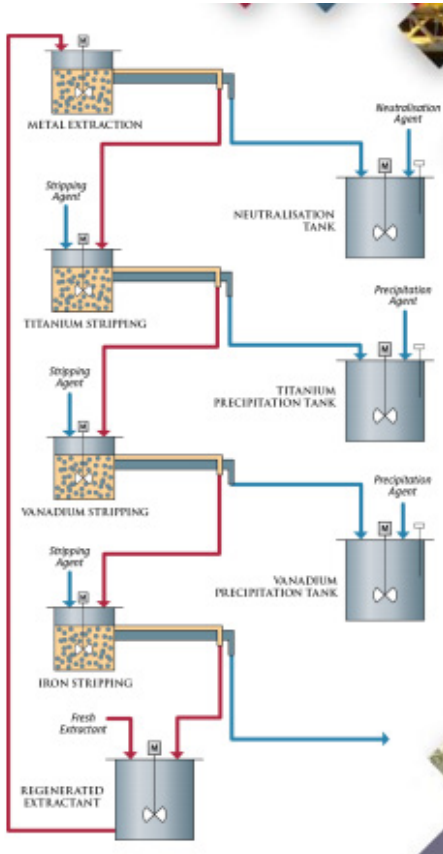
Subject to all approvals, permitting and financing, construction of Mr Peake is planned to commence in 2016 with first production scheduled for early 2018.

Geology and exploration activity to date

Mineralisation at Mount Peake is a tabular vanadium-rich magnetite deposit within a large gabbro intrusion. The deposit was first identified in 2008 through resampling of historic drillcore. Drilling between 2009 and 2012 has led to the definition of measured, indicated and inferred category mineral resources totalling 160 Mt @ 0.28% V₂O₅, 22.3% Fe, 5.3% TiO₂. A Maiden Probable Ore Reserve of 41.1 Mt (50% of mine life) at V₂O₅ 0.45%, TiO₂ 7.99%, Fe 28.0% at a cut off grade of 15% Fe was announced on 31 July 2015. This announcement converted 65% of the Measured Resource with a 50% increase in V₂O₅ grade.

The area under licence covers a highly prospective, but poorly explored part of the Arunta geological province that offers significant exploration upside for TNG within an extensive 2,000 km² 100%-owned ground-holding.

The mineralisation is flat-lying and occurs close to the surface, with additional scope to grow the resource further. The company has also identified the potential for a graphite resource in the Mount Peake project area.



Infrastructure

The project will comprise an open cut mining operation and ore processing plant located in the southern central Northern Territory, approximately 280 km north-northwest of Alice Springs. The site lies close to existing infrastructure including a gas pipeline and has access to a large aquifer system, capable of providing a sustainable long-term water source for mining and processing operations. The proposed mine site is only 60 km west of the sealed Stuart Highway and 80 km from the Adelaide to Darwin railway, which will transport processed ore to TNG's planned TIVAN[®] refinery. The refinery will be located within the Middle Arm industrial area, within 10 km of existing export infrastructure at the Port of Darwin.

Project economics

- Since its discovery in 2008, the Mount Peake project has made consistent progress towards commercialisation. DFS results released in July 2015 estimate a 15-year mine life with pre-tax rate of return (IRR) of 41% and net present value of A\$4.9 billion. The project has received Major Project status from the Northern Territory Government.
- Central to its plans to bring Mount Peake into production, TNG has the exclusive patent on the TIVAN[®] hydrometallurgical process, an innovative, low-cost method that produces three products – premium (>96%) battery grade vanadium pentoxide, titanium dioxide concentrate and high purity iron oxide powder.
- TNG has formed relationships with a number of high profile international investors, technology developers and marketing and distribution partners to progress Mount Peake. Logistics, utilities and development plans are underway, and approvals for mining and development are in process.

Project status and development timeline

- Environmental approvals for the mining operation are expected to be obtained by mid-2016.
- 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 expected to be completed in 2018.

Investment sought

TNG believes that the most suitable development path for Mount Peake is to engage a major partner, company or corporate conglomerate to provide development finance, engineering, procurement, design and construction in exchange for project equity and or off-take agreements.

JORC Resource Estimates

The Measured, Indicated and Inferred mineral resources reported on 18 March 2013 at a 0.1% V₂O₅ cut-off comprised:

Category	Tonnes (Mt)	V ₂ O ₅ %	TiO ₂ %	Fe%	Al ₂ O ₃ %	SiO ₂ %
Measured	120	0.29	5.5	24	8.2	33
Indicated	20	0.28	5.3	22	9.1	34
Inferred	22	0.22	4.4	19	10.0	38
TOTAL	160	0.28	5.3	23	8.6	34

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