

TNG IDENTIFIES POTENTIAL LOWER-COST WATER SOURCE TO SUPPORT MOUNT PEAKE DEVELOPMENT

Australian resource company TNG Limited (ASX: TNG) (“TNG” or the “Company”) is pleased to advise that recent field surveys have identified a potential new, shallower water source to support the development of its 100%-owned Mount Peake Vanadium-Titanium-Iron Project (“Mount Peake Project” or “Project”) in the Northern Territory, Australia.

The field survey was undertaken by the Company’s appointed hydrological consultant, AQ2 Pty Ltd (“AQ2”), with the aim of expanding the currently identified borefield within the Hanson River system. As previously advised, an expansion of the borefield is required to support TNG’s plan to incorporate the TIVAN® Processing Facility into a fully integrated mining and processing operation at the Mount Peake mine site (see ASX Announcements 12 April and 24 May 2022).

To facilitate the borefield expansion, TNG has undertaken a series of studies to define water resources within the local environment, including a water drilling program for the installation of additional bores, a geophysical survey of the aquifer extent and an assessment of vegetation to define hydrotypes.

A field survey conducted by AQ2 in late July/early August 2022 identified the potential presence of a shallow “perched” aquifer (see Figure 1) in the vicinity of the Hanson River channel. AQ2 believes that local vegetation around the proposed borefield expansion area may be utilising water and soil moisture associated with this perched aquifer, rather than deeper groundwater resources. Should this be the case, the borefield design could be revised to tap into this shallower water resource, reducing the longitudinal extent of the borefield and delivering significant cost savings for the Project.

In conjunction with AQ2, TNG is now conducting additional field work to confirm the perched aquifer characteristics within the Hanson River channel and its relationship with soil profiles, impeding layers and vegetation. This work is expected to be completed in November 2022, with the outcomes to inform borefield design and environmental impact assessment.

Whilst these extra field studies may result in a delay in the submission of the Project’s environmental impact assessment referral to the Northern Territory Environmental Protection Agency, the benefit to the Company is substantial in terms of potential capital expenditure savings and borefield design requirements if vegetation dependence is confirmed to be aligned with a perched aquifer.

TNG currently has a Water Extraction Licence Application (“WELA”) submitted to the Northern Territory Government Water Resources Division of the NT Department of Environment, Parks and Water Security. This application was made to supply water for a combined mining and beneficiation operation at the Mount Peake mine site.

Aquifer drill testing completed earlier this year successfully extended the aquifer beyond this WELA area (see ASX Announcement 24 May 2022), with subsequent groundwater modelling (including the identification of this potential perched aquifer) expected to confirm sufficient, sustainable water resources for the entire planned mining and processing operation of the Mount Peake Project.

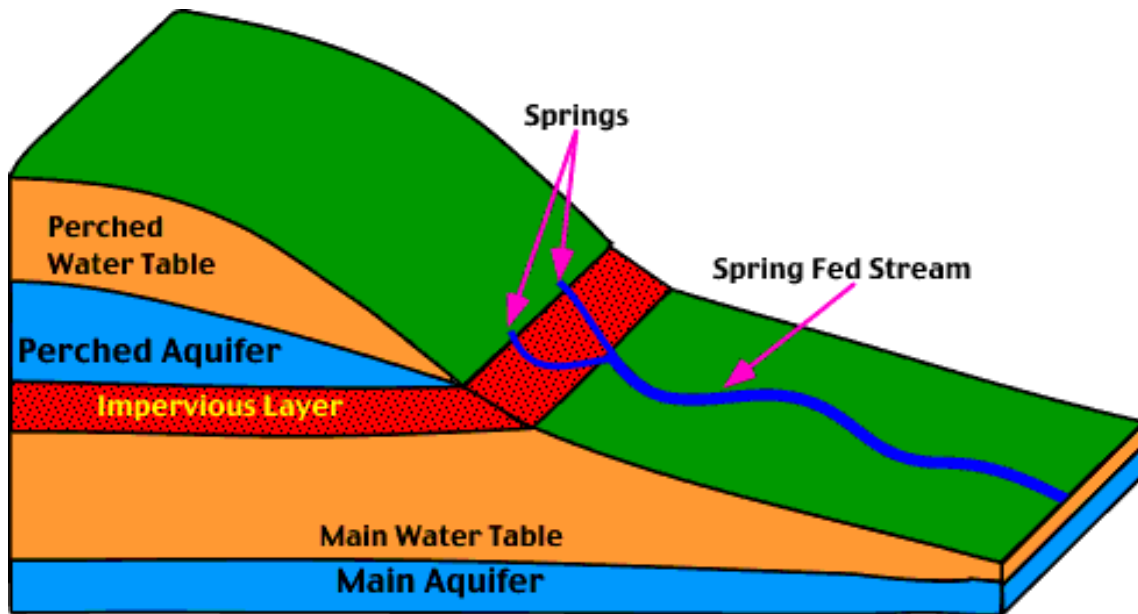


Figure 1: Illustration of a perched aquifer (Source: www.physicalgeography.net)

Authorised by the TNG Board of Directors.

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About TNG

TNG is a Perth based resource and mineral processing technology company focussing on 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 products for global markets including vanadium pentoxide, titanium dioxide pigment and iron ore fines. The project, which is expected to be a top-10 global producer, has received Major Project Status from the Australian Federal Government and the Northern Territory Government.

TNG is also advancing a green energy strategy with the dual objective of offsetting carbon emissions from its planned future operations and generating new business opportunities in the alternative energy market to create additional shareholder value, with a focus on green hydrogen and vanadium redox flow batteries.

Forward-Looking Statements

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