

TNG EXTENDS MANDATE AGREEMENT WITH KfW IPEX-Bank

***Extension of the mandate confirms strong commitment of KfW IPEX-Bank
with the financing of the Mount Peake Project***

Australian strategic metals company TNG Limited (ASX: TNG) ("TNG" or the "Company") is pleased to announce the extension of the mandate letter ("Mandate") executed between Germany's KfW IPEX-Bank GmbH (KfW IPEX-Bank) and the Company in December 2018 (see ASX Announcement dated 13 December 2018). The extended Mandate will terminate on 11 December 2020, unless extended by both parties.

KfW IPEX-Bank has been appointed as the Company's exclusive senior debt advisor and arranger to lead a US\$600 million debt raise for the development and construction of its 100%-owned Mount Peake Vanadium-Titanium-Iron Project ("Project") in the Northern Territory.

KfW IPEX-Bank is a specialised solution provider in export and project financing with a proven track record for complex project financings worldwide.

Under the Mandate, KfW IPEX-Bank is responsible for structuring, coordinating, leading, arranging and managing a syndicate to raise a targeted amount of US\$600 million (A\$850 million) to underpin the Project financing package. KfW IPEX-Bank's role also includes advising TNG on how to maximise, to the greatest extent possible, cover instruments available from export credit agencies (ECAs).

KfW IPEX-Bank has been working closely with TNG and SMS to refine and optimise the Project financial model, with the aim of achieving an improved debt/equity structure that is tailored to match the robust economics of the Mount Peake Project. The final capital requirements will be precisely determined and optimised during the ongoing Front-End Engineering and Design (FEED) study and lender's due diligence.

During the due diligence process, the adequate levels of contingencies, working capital, debt service reserve amounts and project owner's costs will be fully evaluated as part of the capital requirements and the entire senior debt financing package will be structured accordingly.

TNG's Managing Director & CEO, Mr Paul Burton, said: *"We are delighted with the commitment shown by KfW IPEX-Bank towards the Mount Peake Project financing. The extension of their mandate highlights their strong support and confidence in the Project."*

"KfW IPEX-Bank is one of the leading export and project financing banks worldwide, with a proven track record for complex project financings spanning many decades and in-depth expertise to access and optimize ECA cover and the respective funding."

"We have been working closely with KfW IPEX-Bank in the last 12 months and we look forward to progressing the full financing package for Mount Peake aiming to achieving a Final Investment Decision as soon as possible and starting the construction of this major new Australian resource project," he added.

KfW IPEX-Bank's responsible Managing Director, Mr Michael Nosbüsch said:

"We are pleased to provide our specialized structuring expertise to TNG, as well as our significant experience with niche commodities, to ensure bankability of the financing package. With a strong European EPC-package to be

provided by SMS group and their successful track-record in combination with TNG's experienced management team, we are confident that TNG's business case will become a great story of success."

Paul E Burton
Managing Director & CEO

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About KfW IPEX-Bank

Within KfW Group, KfW IPEX-Bank is responsible for international project and export finance. It offers medium and long-term financing to support key export industries, to develop economic and social infrastructure, to fund environmental and climate protection projects and to secure the supply of raw materials. KfW IPEX-Bank operates as a legally independent group subsidiary and is represented in the most important economic and financial centres across the globe.

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 is expected to 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

This announcement has been prepared by TNG Limited. This announcement is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

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