TNG LIMITED

SIGNIFICANT GRAPHITE CONCENTRATE GRADES ACHIEVED AT MOUNT PEAKE

Graphite concentrate grades of >90% from metallurgical test-work on core from BGC1 target, where recent drilling intersected significant widths of >40m of graphite mineralisation

TNG Limited (ASX: TNG) is pleased to advise that it has upgraded the potential for an economic graphite resource at its 100%-owned **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory, subject to further drilling and test-work, after receiving highly favourable results from flotation test-work.

Flotation test-work completed on two composite samples from recent drilling at the **BGC1 Prospect** at Mount Peake have returned **graphite concentrate grades above 90.0%**, which is an excellent result.

Diamond drill core samples were taken from the two targets, BGC1 and G34, which were drilled in August/September at Mount Peake (Figure 1).

Details of the two graphite prospects were reported in the Company's ASX Announcement on 20 August 2014, and hole coordinates are detailed in Table 1.

Drilling details and geological assessment was reported to the ASX in the Announcement dated 17 September 2014. Assay results are now to hand and beneficiation/flotation testwork has been completed, with both sets of results presented below.

The BGC1 target is a very large (1,000m x 600m) and strong late-time Electromagnetic (EM) conductor, as outlined by TNG's 2012 HELITEM survey, shown on Figure 2.

Previous drilling by TNG encountered a thick graphitic interval (>40m) in reverse circulation (RC) drilling (see ASX Announcement – 21 October 2010), and preliminary metallurgical testwork was encouraging with the graphite proving amenable to simple flotation.

However, core samples were needed for definitive metallurgical characterisation to assess the potential for economic grades to be achieved.

At the BGC1 target, the **graphite was encountered over a broad zone from 240 to 286m** (see ASX Announcement – 17 September 2014). Visually, graphite content is reasonably consistent throughout this 46m interval of dark grey graphitic and pyritic silicified schist (Figure 3).

The mineralisation correlates well with the position and depth of the EM Conductor modelled from the HELITEM survey data (Figure 2). The other hole on Figure 2 is ARD1, which was drilled in 2004 by Discovery Nickel. TNG re-logged this hole, observing graphite between 205m and 270m and assayed the core for graphite with the results presented below.

ASX ANNOUNCEMENT

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ASX CODE: TNG

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PROJECTS

Mount Peake: Fe-V-Ti
Black Range Iron
Manbarrum: Zn-Pb-Ag
East Rover: Cu-Au
McArthur: Cu-Zn-Pb-Ag
Mount Hardy Cu-Au-Zn-Pb
Sandover Cu-Au
Walabanba Fe-V-Ti-Cu-Au

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Table 1. Drill-hole collar summary details.

HOLE_ID	EASTING	NORTHING	RL	DEPTH	DIP	AZIMUTH
14MPDDHBGC1W1	312678	7622371	493	298.40	-60	270
14MPDDHG34W1	317602	7599918	500	210.50	-55	270

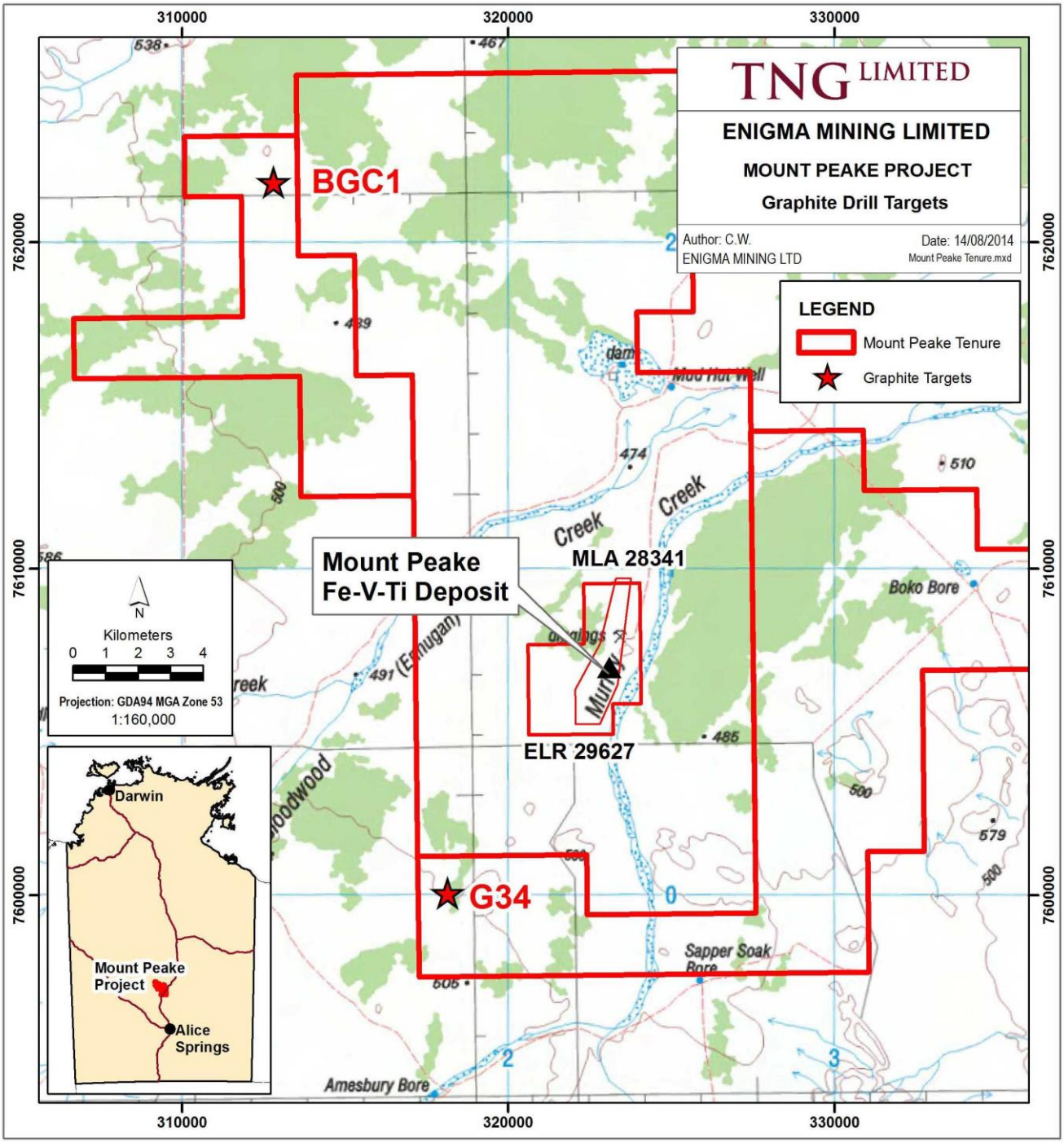


Figure 1. **Location of the graphite targets, BGC1 and G34 within the Mount Peake project area.**

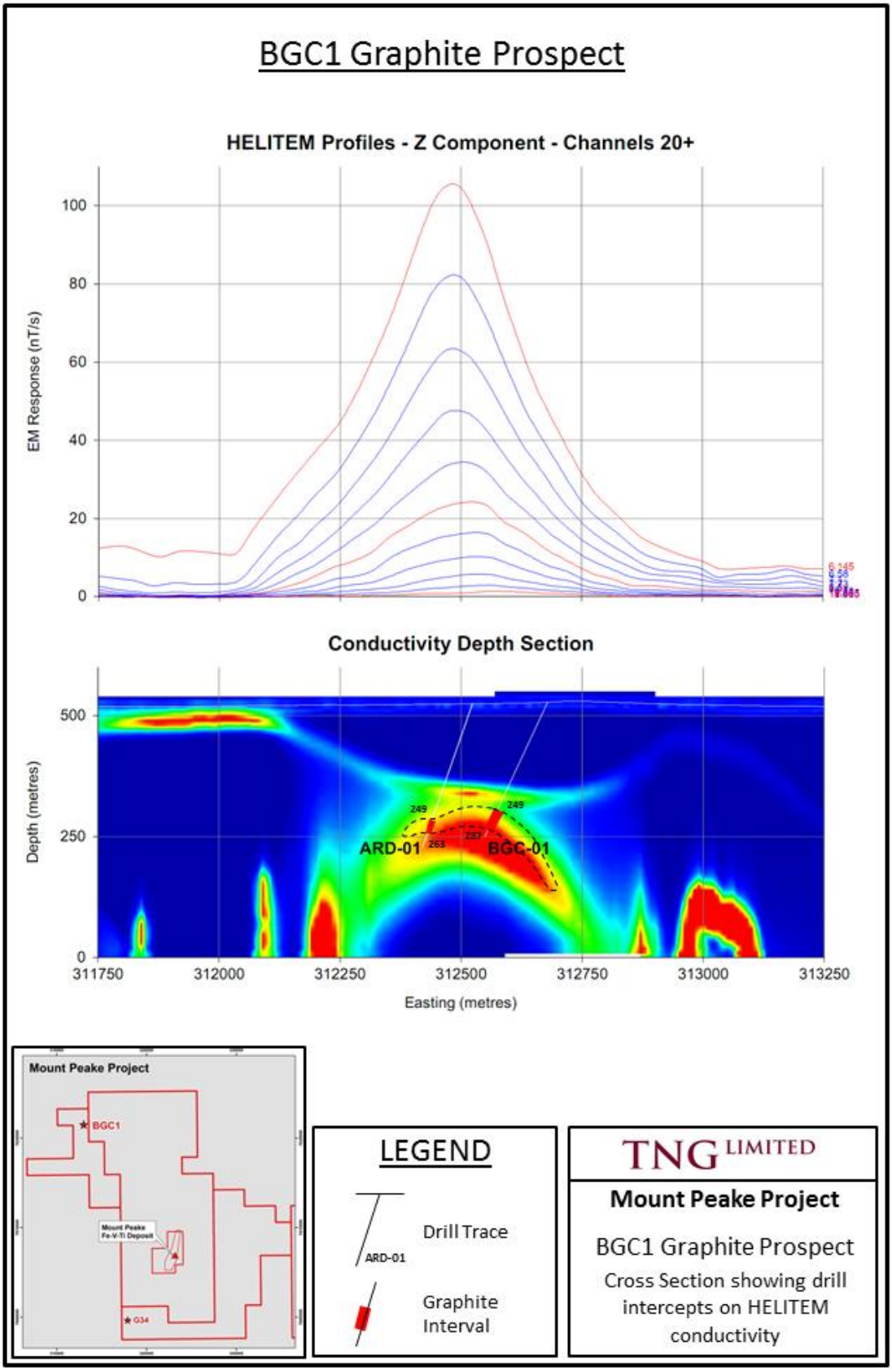


Figure 2. Conductivity Profile and 2D Modelled Cross Section on Northing 7,599,900mN, showing the BGC1 conductor target at Mount Peake.

Figure 3. Core tray #20 from 14MPDDHBGC1W1 from 272.1 to 276.7m, showing typical competent dark grey graphitic silica-pyrite core comprising the material in composite "BGC1 HG".

A total of 52 samples of half NQ core were taken from the two holes drilled in September and submitted to ALS Metallurgy in Perth for analysis and testwork. Results for all samples are shown in Table 2, while details of the sampling are outlined in Appendix One.

Significant intersections at the BGC1 target were:

At a 4% C graphite cut-off:

14MPDDHBGC1W1	**246.00 to 285.30m**	**39.70m @ 5.13% C graphite**

At a higher cut-off of 5% C graphite:

14MPDDHBGC1W1	**248.00 to 254.00m**	**6.00m @ 5.33% C graphite; and**
14MPDDHBGC1W1	**266.70 to 285.30m**	**18.60m @ 5.32% C graphite**

The **best graphite grade was 8.33% C graphite**, while most is medium grade in the 3-6% range. With favourable logistics, recoveries and separation characteristics, this material may be economically viable.

The position of the graphite zones at the BGC1 target are shown in 3D on Figure 4, with all graphitic intervals falling within the high conductivity modelled shell that extends over 1000m by 600m. Significant additional volumes of high conductivity ground occur to the south and west of the existing holes.

G34

The G34 target is a strong mid- to late-time EM conductor with no prior drill intersections.

Drill results at a 4% C graphite cut-off were:

G34	**181.40 to 183.00m**	**1.60m @ 4.67% C graphite**

No further drilling work was carried out at the time due to drilling constraints but the potential for extensive graphite mineralisation remains based on the geophysical response.

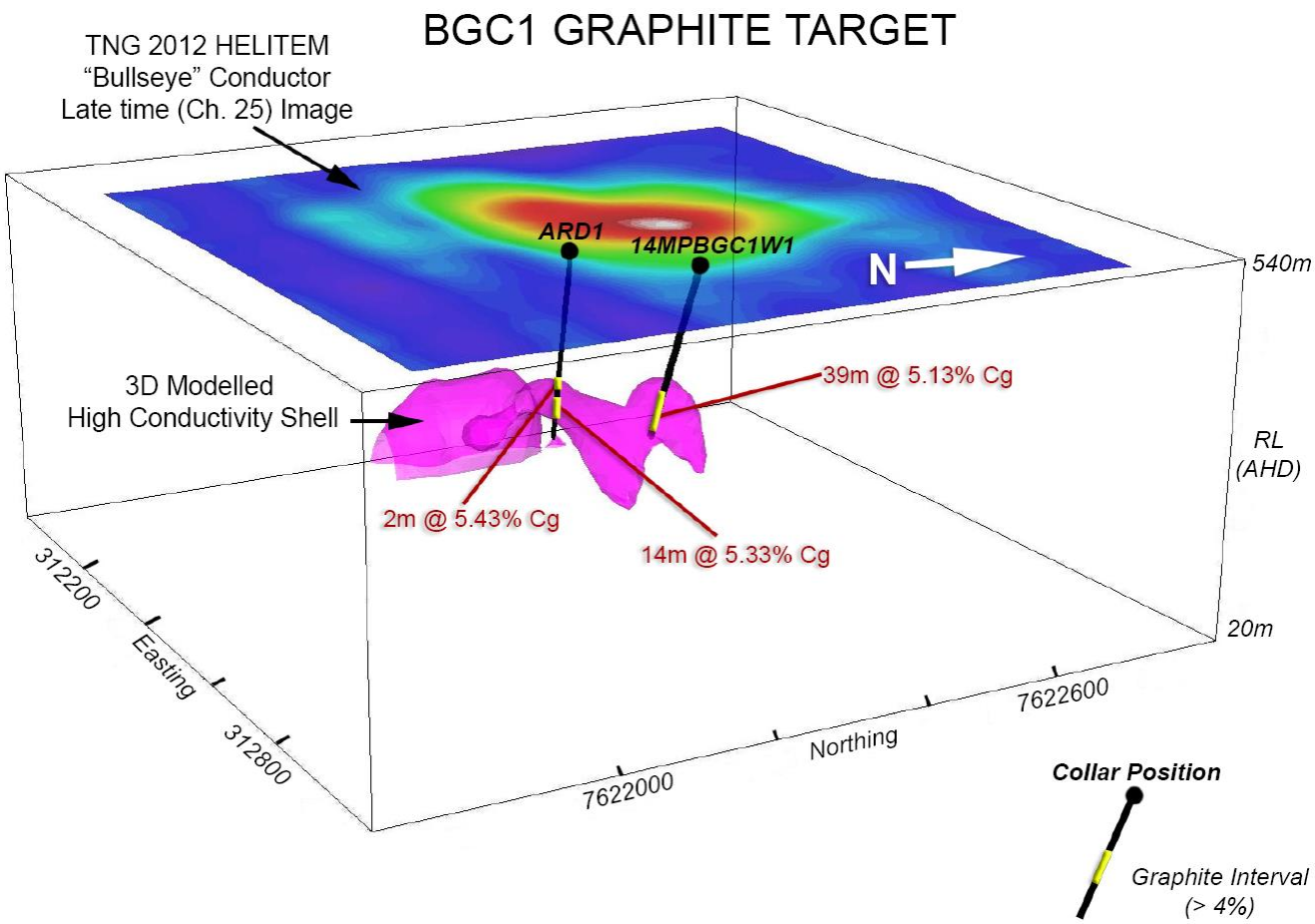


Figure 4: 3D view of the BGC1 target showing a surface image of the HELITEM channel 25 "late time" strong bullseye anomaly and the modelled 3D high conductivity shell (in pink).

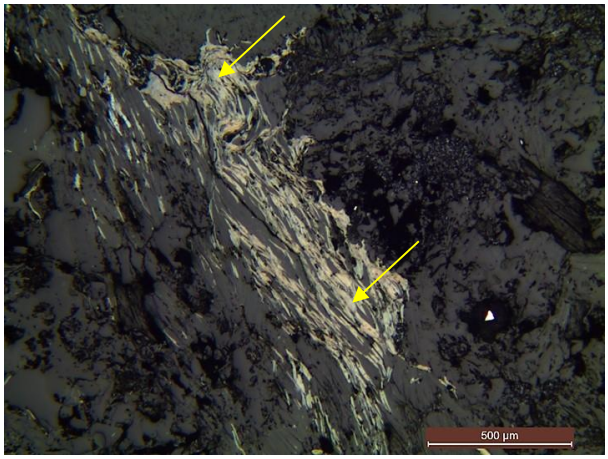
Metallurgical Test Work

TNG contracted Mineral Engineering Technical Services (METS) to design a metallurgical testwork program to determine if the graphite from Mount Peake could form a saleable concentrate (generally requiring >80% grade). Work involved compositing the individual samples and then a series of flotation/cleaner stages to produce a final concentrate of graphite at a certain size fraction.

The initial two composites created were analysed for a suite of elements using ICP and Fire Assay techniques, with the results presented in Table 3. Data from Tables 2 and 3 indicate that there are no significant base or precious metals present in the graphitic material, and there is around 3% pyrite in the G34 composite and 7-8% pyrrhotite/pyrite sulphide in the BGC1 sample.

Initial optical work indicated most graphite was fine grained (mostly 50-200 microns) with some to 200 microns, and seen as discrete flakes and in veinlets/clusters within the quartz, phyllosilicate rock matrix (Figure 5). Samples were ground to P100 <125 micron to liberate the graphite flakes and fed to the flotation circuits.

Composites of BGC1 and G34 achieved concentrate grades of 60-70% in the initial work, while a second cleaner stage would give significantly improved final concentrate grades. Follow-up testwork was carried out on two BGC1 composites, including a higher grade composite (BGC1 HG) – with a grade of over 7% C graphite (see Tables 2 and 3).



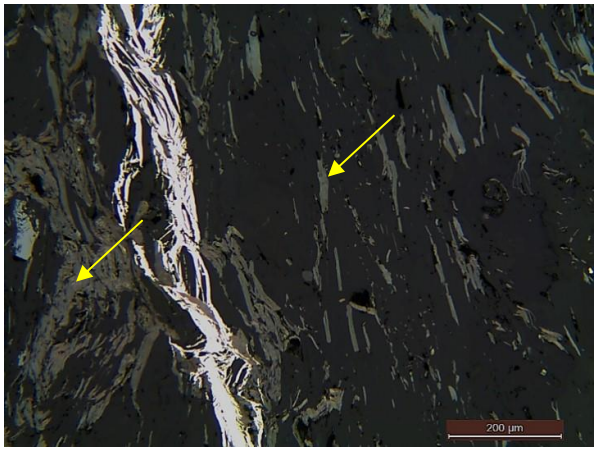


Figure 5. Photomicrographs of samples MP 148008 (left) and MP148035 (right). Graphite is pale grey in elongate flake shapes (yellow arrows), sulphides (pyrite and pyrrhotite) are bright white, while silicate gangue is dull to dark grey.

Both these samples returned final concentrate grades in excess of 90% graphite (see Table 4 below), indicating that saleable product could be generated from the BGC1 graphite prospect.

Table 4. Final flotation testwork summary details.

Composite	Feed Grade (% Graphite)	Concentrate Grade (% Graphite)	Concentrate Recovery
BGC1	4.26	92.0%	78.0%
BGC1 HG	7.92	93.2%	52.6%

TNG's Managing Director, Mr Paul Burton, said the results of the recent highly successful diamond drilling and metallurgical test-work program provided the strongest evidence to date of the presence of another potentially economic mineralised zone at Mount Peake, addition to the high-value vanadium, titanium and iron mineralisation.

"The achievement of graphite grades in concentrate of >90% TCG via simple and low-cost flotation techniques is an important breakthrough for our ongoing assessment of the graphite potential at Mount Peake," Mr Burton said. "The potential size of the mineralised zone is significant based on the geophysical outline and it would make sense to assess this further once we have commenced operations at the main Mount Peake deposit.

"We see this as a potentially complementary and valuable addition to the suite of metals which Mount Peake will be capable of producing, making this an even more significant and diversified source of strategic metals for global markets," Mr Burton said.

"Given the extremely favourable market and demand outlook for graphite, we will consider including this in the overall Definitive Feasibility Study as well as assessing potential off-take partners for the graphite.

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4 December 2014

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Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on, and fairly represents, information and supporting documentation compiled by Exploration Manager Mr Kim Grey B.Sc. and M. Econ. Geol. Mr Grey is a member of the Australian Institute of Geoscientists, and a full time employee of TNG Limited. Mr Grey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grey consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.

Forward-Looking Statements

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About TNG

TNG Ltd is a junior exploration company with a focus on exploration and development of projects in the Northern Territory of Australia.

The company is currently developing its 100% owned world class Mount Peake Vanadium –Titanium – Iron project which is currently in the Definitive Feasibility Stage. In addition it has extensive copper and base metal projects including its 100% owned McArthur River and Mt Hardy project.

The company has joint ventures on some other projects with Rio Tinto, Norilsk, and strategic investment from Ao-Zhong Ltd., a 100% owned subsidiary of China's state owned enterprise ECE Ltd.

For more information please see the company's website at www.tngltd.com.au

Table 2. Laboratory results for individual samples in graphite holes at Mount Peake.

HOLE_ID	FROM	TO	INTERVAL	SAMPLE_NO	Ctot%	Cgraphite%	S%	Fe%	SiO_2%	LOI% 1000	Composite
14MPDDHG34W1	180.40	181.40	1.00	MP148001	0.42	**0.19**	0.60	5.17	56.9	4.99	
14MPDDHG34W1	181.40	181.80	0.40	MP148002	4.23	**4.08**	2.72	5.10	62.8	9.24	
14MPDDHG34W1	181.80	183.00	1.20	MP148003	5.25	**4.86**	1.82	2.93	65.8	9.54	G34
14MPDDHG34W1	183.00	184.00	1.00	MP148004	0.27	**0.12**	0.34	2.78	67.4	3.63	
14MPDDHG34W1	184.00	185.00	1.00	MP148005	0.12	**0.02**	< 0.02	3.51	71.6	2.73	
14MPDDHG34W1	185.00	186.00	1.00	MP148006	0.12	**0.02**	< 0.02	5.32	66.3	3.74	
14MPDDHG34W1	186.00	187.25	1.25	MP148007	0.30	**0.13**	< 0.02	3.06	70.2	2.44	
14MPDDHG34W1	187.25	187.70	0.45	MP148008	2.52	**2.06**	0.76	5.12	57.6	6.86	G34
14MPDDHG34W1	187.70	189.00	1.30	MP148009	0.84	**0.49**	0.32	5.27	64.8	4.11	
14MPDDHBGC1W1	240.00	241.00	1.00	MP148010	0.45	**0.20**	0.24	0.92	73.9	1.47	
14MPDDHBGC1W1	241.00	242.00	1.00	MP140011	1.26	**0.87**	3.56	5.62	61.2	5.61	
14MPDDHBGC1W1	242.00	243.00	1.00	MP140012	5.13	**4.71**	4.30	6.26	54.5	10.0	
14MPDDHBGC1W1	243.00	244.00	1.00	MP140013	2.97	**2.62**	2.98	5.98	56.1	7.42	
14MPDDHBGC1W1	244.00	245.00	1.00	MP140014	2.28	**1.87**	2.54	4.65	61.9	6.39	
14MPDDHBGC1W1	245.00	246.00	1.00	MP140015	3.12	**2.59**	1.64	2.58	68.1	5.62	
14MPDDHBGC1W1	246.00	247.00	1.00	MP140016	4.29	**4.09**	0.66	7.02	57.1	8.08	
14MPDDHBGC1W1	247.00	248.00	1.00	MP140017	5.13	**4.76**	0.20	7.27	54.9	9.67	
14MPDDHBGC1W1	248.00	249.00	1.00	MP140018	5.61	**5.35**	1.80	8.61	50.1	10.4	
14MPDDHBGC1W1	249.00	250.00	1.00	MP140019	5.67	**5.81**	1.56	7.90	52.2	10.0	
14MPDDHBGC1W1	250.00	251.00	1.00	MP140020	4.38	**4.18**	4.00	7.87	52.6	10.1	
14MPDDHBGC1W1	251.00	252.00	1.00	MP140021	6.00	**5.69**	4.32	7.80	51.5	10.8	
14MPDDHBGC1W1	252.00	253.00	1.00	MP140022	5.19	**5.02**	1.56	7.42	55.6	8.90	
14MPDDHBGC1W1	253.00	254.00	1.00	MP140023	6.33	**5.94**	4.42	9.96	48.9	11.7	
14MPDDHBGC1W1	254.00	255.00	1.00	MP140024	5.10	**4.83**	5.68	10.3	53.3	9.89	
14MPDDHBGC1W1	255.00	256.00	1.00	MP140025	4.68	**4.55**	2.96	9.37	54.2	9.31	
14MPDDHBGC1W1	256.00	257.00	1.00	MP140026	2.61	**2.19**	4.58	7.33	58.3	7.13	
14MPDDHBGC1W1	257.00	258.00	1.00	MP140027	3.09	**2.76**	6.40	10.7	51.6	8.54	
14MPDDHBGC1W1	258.00	259.00	1.00	MP140028	0.75	**0.40**	1.48	2.25	73.8	2.62	
14MPDDHBGC1W1	259.00	260.45	1.45	MP140029	0.27	**0.14**	1.18	1.92	74.1	2.41	
14MPDDHBGC1W1	260.45	262.00	1.55	MP140030	2.94	**2.70**	1.24	6.79	56.5	6.94	BGC1
14MPDDHBGC1W1	262.00	263.00	1.00	MP140031	3.39	**4.93**	4.74	10.5	51.7	9.43	BGC1
14MPDDHBGC1W1	263.00	264.00	1.00	MP140032	4.05	**3.20**	5.90	9.97	53.7	9.44	BGC1
14MPDDHBGC1W1	264.00	265.45	1.45	MP140033	5.01	**3.56**	5.74	10.2	51.8	10.6	BGC1
14MPDDHBGC1W1	265.45	266.70	1.25	MP140034	4.98	**4.75**	0.56	8.96	52.1	9.32	BGC1
14MPDDHBGC1W1	266.70	268.00	1.30	MP140035	6.54	**6.22**	4.9	8.44	51.1	11.9	
14MPDDHBGC1W1	268.00	269.00	1.00	MP140036	3.15	**2.83**	3.98	6.77	60.9	6.72	
14MPDDHBGC1W1	269.00	270.00	1.00	MP140037	5.82	**5.12**	7.18	10.5	50.6	20.9	
14MPDDHBGC1W1	270.00	271.00	1.00	MP140038	6.54	**5.69**	6.98	10.6	51.1	10.6	
14MPDDHBGC1W1	271.00	272.00	1.00	MP140039	6.48	**5.63**	8.04	12.3	47.6	11.1	
14MPDDHBGC1W1	272.00	273.00	1.00	MP140040	4.74	**4.00**	7.68	11.8	50.8	9.71	
14MPDDHBGC1W1	273.00	274.00	1.00	MP140041	7.53	**6.66**	6.14	9.70	53.1	11.4	BGC1 HG
14MPDDHBGC1W1	274.00	275.00	1.00	MP140042	9.24	**8.33**	4.58	7.44	52.9	12.5	BGC1 HG
14MPDDHBGC1W1	275.00	276.00	1.00	MP140043	8.07	**7.09**	5.18	7.89	51.8	12.3	BGC1 HG
14MPDDHBGC1W1	276.00	277.00	1.00	MP140044	7.17	**6.47**	4.54	7.37	52.8	10.8	BGC1 HG
14MPDDHBGC1W1	277.00	278.00	1.00	MP140045	5.85	**5.30**	5.38	9.22	51.9	11.8	
14MPDDHBGC1W1	278.00	279.00	1.00	MP140046	6.06	**5.59**	4.62	7.49	54.8	10.2	
14MPDDHBGC1W1	279.00	280.00	1.00	MP140047	5.40	**4.55**	5.22	8.71	54.1	9.60	
14MPDDHBGC1W1	280.00	281.00	1.00	MP140048	5.49	**5.14**	6.00	9.88	53.6	10.1	
14MPDDHBGC1W1	281.00	282.00	1.00	MP140049	4.29	**3.73**	7.86	12.6	47.9	11.3	BGC1
14MPDDHBGC1W1	282.00	283.00	1.00	MP140050	5.70	**5.08**	6.80	10.2	51.7	10.9	
14MPDDHBGC1W1	283.00	284.00	1.00	MP140051	6.66	**6.32**	5.72	9.60	48.7	10.6	
14MPDDHBGC1W1	284.00	285.30	1.30	MP140052	5.67	**5.17**	4.86	8.68	54.2	9.49	

Table 3. Laboratory results for graphite composite samples at Mount Peake.

A16108 - TNG Graphite
Head Analysis - Composites

ALS Metallurgy

Sample	Ag ppm	Al %	Au ppm	Ba ppm	Be ppm	Bi ppm	C_{tot} %	C_{graph} %	C_{org} %	Ca ppm	Cd ppm	Co ppm
BGC1	<5	7.16	<0.10	260	<20	<25	4.26	**4.37**	3.93	2000	<20	20
BGC-1 High Grade	<5	7.44	0.055	340	<20	<25	7.92	**7.20**	6.99	1250	<20	20
G34	<5	7.80	<0.10	360	<20	<25	4.53	**4.89**	4.26	625	<20	20

Sample	Cr ppm	Cu ppm	Fe %	K %	Li ppm	LOI 1000 %	Mg %	Mn ppm	Mo ppm	Na ppm	Ni ppm	P ppm
BGC1	125	170	9.02	3.40	60	9.75	2.28	560	<20	900	160	250
BGC-1 High Grade	200	115	7.82	3.98	40	11.7	1.44	820	<20	4150	120	750
G34	125	130	3.40	3.05	40	9.24	0.68	100	40	1200	40	250

Sample	Pb ppm	S %	S^{-2} %	SiO_2 %	Sr ppm	Ti ppm	V ppm	Y ppm	Zn ppm	FeO %
BGC1	380	3.98	3.66	47.8	15	3400	175	<100	1195	9.40
BGC-1 High Grade	80	5.06	4.44	51.6	25	3800	175	<100	385	9.60
G34	100	1.68	1.72	57.0	85	3000	150	<100	50	1.00

APPENDIX ONE

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.	Sampling is of cut half core submitted to ALS laboratory for industry standard preparation (all crushed and pulverized to >85% <75 um) and analysis by ICP techniques for base metals, fire assay for precious metals and Leco for graphite
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Diamond drilling, NQ core
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Average of >90% recovery in all intervals. Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Core metreages were checked against core blocks and drillers records. Diamond core with high recovery provides the best possible and most representative sample medium. No issues of fines loss were observed. No issues relating to preferential loss/gain of grade material have been noted.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Core was geologically logged for lithology, mineralogy, colour, weathering, alteration, structure and mineralisation. Geotechnical logging included recovery and RQD, while significant structures were logged with alpha and beta angles measured on oriented core or alpha angles on un-oriented core. All core has been photographed both dry and wet. All holes were logged in full.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	All core was sampled by a core saw with half core sampling The sample preparation for core samples follows industry best practice, with oven drying of samples prior to coarse crushing and pulverization (to >85% passing 75 microns) of the entire sample No field duplicates have been taken. Further sampling (second half, lab umpire assay) will be conducted if it is considered necessary The sample size (2-5 kg) is considered to be adequate for the material and grainsize being sampled and the style of mineralisation being drilled
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards,	Core samples have been analysed for the multi-element suite at ALS in Perth by technique ICP (ME-ICP41a). Graphite analysis is by Leco furnace – the industry standard technique. Comparisons were made with Cgraphite, Ctotal, Corganic, and LOI results to ensure valid graphite results.

	blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Standards were inserted into the laboratory batch and returned satisfactory results within acceptable ranges.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Sampling was conducted by contract geologist and verified by the Exploration Manager on site prior to cutting Primary geological logging was onto A3 diamond log sheets using standard coding lists, while numeric data was entered into standardized spreadsheets on field laptops and uploaded into the company database. No adjustments have been made to the primary assay data
Locations of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.	Drill holes were picked up using a standard GPS device using multiple point averaging, with accuracy of better than 3 metres for Northing and Easting, and around 5 metres for RL. All coordinates data for the project are in MGA_GDA94 Zone 53.
Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	At this early stage of exploration hole spacings vary as dictated by target size and position. No compositing has been applied to the exploration results. Sampling was of an exploratory and reconnaissance nature and spacings are insufficient to establish continuity or define Resources.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Holes were drilled angled at 60, and 55 degrees to the west, while the modelled conductor appears to be relatively flatlying, and so drilled intersections are as close to perpendicular to the mineralisation direction (as can be determined at this stage) and approximate “true“ thicknesses.
Sample security	The measures taken to ensure sample security.	All core and samples were under company supervision at all times prior to freighting to ALS laboratories in Alice Springs
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No sampling audits have been completed to date at the Mount Peake graphite target

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Mount Peake Project comprises eleven tenements, including ELs and MLs. Drilling was conducted on EL 27069 (G34) and EL 27070 (BGC1) held by Enigma Mining Limited, a wholly owned subsidiary of TNG Limited. The tenements are in good standing with no know impediments
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The previous drill testing of the BGC1 target was by Discovery Nickel in 2004 (hole ARD1).
Geology	Deposit type, geological setting and style of mineralisation.	The target a structurally controlled graphite accumulation with the Paleoproterozoic Lander Rock Beds schists.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:	See Table 1

	○ Easting and northing of the drill collar ○ Elevation of RL (Reduced Level – elevation above sea level in metres) of the drill collar ○ Dip and azimuth of the hole ○ Down hole length and interception depth ○ Hole length	
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	No data aggregation has been applied.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Each hole is near perpendicular to the mineralisation, according to the modelling of the HELITEM survey data, and so drill intercepts are near to true widths.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures 1, 2 and 4 in the body of the report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All laboratory results are presented.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The progress of the graphite targets at Mount Peake has been documented in the ASX releases of 21 October 2010, 20 August 2014, and 17 September 2014.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The mineralisation is open in all directions and will be fully assessed over the coming months prior to the planning of any further drill testing