

TNG SIGNS SECOND KEY BINDING AGREEMENT WITH KOREA'S WOJIN FOR MOUNT PEAKE TECHNOLOGY EXCHANGE

Encompasses access to WOJIN technology aimed at achieving the world's highest vanadium recovery rate for FeV production and global marketing of products

HIGHLIGHTS

- **Binding Term Sheet signed with leading Korean ferro-vanadium group, WOJIN IND. CO. LTD. for technology transfer of WOJIN's proprietary technology to TNG for the co-production and marketing of ferro-vanadium at the site of TNG's downstream TIVAN® plant.**
- **Builds on the recent Binding Term Sheet for vanadium off-take for Mount Peake.**
- **Binding agreements are expected to be finalised in the next three months, marking another key step towards finalising TNG's global network of strategic partners to support the development of Mount Peake.**

TNG Limited (ASX: TNG) is pleased to announce that it has signed a second Binding Term Sheet with the major Korean-based ferro-vanadium producer WOJIN IND., CO., LTD., (WJN), providing for the transfer of WOJIN's proprietary ferro-vanadium technology to TNG to allow TNG to also be able to convert vanadium pentoxide (V_2O_5) into high-value ferro-vanadium (FeV).

The agreement reinforces the strong and growing relationship between TNG and WOJIN following the signing of a Binding Off-take Term Sheet under which WOJIN will purchase a minimum of 60% of refined vanadium pentoxide (V_2O_5) from TNG's flagship Mount Peake Vanadium-Titanium-Iron Project in the Northern Territory (see ASX Announcement – 10 March 2015).

Under this second Binding Term Sheet, TNG and WOJIN have agreed terms for the formation of a Conversion Joint Venture to enable the establishment and operation of a WOJIN V_2O_5 conversion plant at TNG's TIVAN® refinery site, capable of converting vanadium pentoxide (V_2O_5) to high-value ferro-vanadium (FeV).

The WOJIN conversion technology was developed by WOJIN in 1990 and is currently in use at its Gimpo plant in Korea, enabling WOJIN to achieve the highest vanadium recovery in the world for FeV production at a low conversion cost. The agreement with TNG provides for the transfer of WOJIN's proprietary FeV conversion technology to the Conversion Joint Venture.

The addition of this process to the TIVAN® plant will provide TNG with the ability to produce additional value-added products for global distribution.

The agreement also provides terms for TNG and WOJIN to form a Marketing Joint Venture for the sale and distribution of the FeV produced under the Conversion Joint Venture.

TNG is currently at an advanced stage of a Definitive Feasibility Study on the Mount Peake development, which will be a world-class, long-life strategic metals project producing three highly valuable products: high-purity vanadium pentoxide (V_2O_5), iron oxide (Fe_2O_3) and titanium dioxide (TiO_2).

TNG's Managing Director, Mr Paul Burton, said the Company was delighted to secure this second Binding Term Sheet with WOOJIN, as the production of ferro-vanadium has the potential to significantly enhance the Mount Peake Project's economics.

"WOOJIN's capabilities and their technology are very complementary to our own proprietary TIVAN® downstream processing technology, and we expect that the combination of our world-class project and enhanced processing capability using both their technology and marketing reach will be very powerful indeed," he said.

"Following the Binding Term Sheet for vanadium off-take ,we now expect that the final agreements will encompass not only direct off-take for 60 per cent of our vanadium pentoxide production, but also the ability to produce high-value ferro-vanadium, which may also lead into the capability in future to produce other high-value products for global markets.

"These agreements give us access to WOOJIN's powerful marketing network, as well as the ability to access off-take financing, technological input and project development assistance. Our companies have many synergies, and we are looking forward to a long, productive and mutually beneficial collaboration," Mr Burton added.

Paul E Burton
Managing Director

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