

TNG RECEIVES TRADITIONAL OWNER CLEARANCE FOR MOUNT PEAKE ACCESS AND INFRASTRUCTURE DEVELOPMENT

Discussions continuing for Native Title Mining Agreement which is expected to be completed shortly

Key Points

- TNG receives Central Land Council Sacred Site Clearance Certificate for the Mount Peake Mine Tenements including the mine and site infrastructure, camp, haul road and rail siding.
- The Clearance is a significant step in the Land Access process, whereby Traditional Land Owners have paved the way clear of Sacred Site Heritage for development of the Mount Peake Operations to proceed.
- TNG is also in negotiations with the Central Land Council to reach a Native Title Mining Agreement with the Traditional Land Owners, which is expected to be completed shortly.
- TNG conveys its sincerest thanks to the Traditional Land Owners and the CLC for their engagement and participation in the Mount Peake Sacred Site Clearance.

Emerging strategic metals producer TNG Limited (ASX: TNG) is pleased to advise that it has received a Sacred Site Clearance Certificate from the Central Land Council (CLC) for the mine and associated infrastructure required for its flagship 100%-owned **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory.

The CLC is the legal representative of the Traditional Owner Group (TOG) for the proposed Mount Peake mine area. Clearance work was conducted by the CLC during the past few months and, following approvals from the TOG, has issued TNG with the approved certificate.

This Certificate provides approval and clearance for TNG to construct the open cut mine, camp facility, haulage road, access road and rail siding at Mount Peake, as shown in Figure 1.

This paves the way for TNG to conclude negotiations with the CLC for the Mining Agreement, after which the Mining Licence can be issued by the Northern Territory Minister for Mines, the Hon David Tollner.

TNG's Managing Director, Mr Paul Burton, said the granting of the Sacred Site Clearance Certificate by the Central Land Council was another important milestone for the Mount Peake Project.

"We have developed a good relationship with the CLC and the TOG and I'd like to thank them for their approval, which we hope will be beneficial for all stakeholders as this major new resource project for northern Australia advances towards financing and development," Mr Burton said.

TNG completed a Definitive Feasibility Study (DFS) on the Mount Peake Project last month (*see ASX Announcement – 31 July 2015*) which forecast that the project would generate a pre-tax internal rate of return (IRR) of 41% based on a pre-production capital cost of A\$970 million, total estimated life-of-mine net cash flow of A\$11.6 billion and operating cash flows of A\$13.6 billion over an initial 17-year project life.

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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 pig iron. The project, which will be a top-10 global producer, has received Major Project Facilitation status from the NT Government.

The Mount Peake Feasibility Study was completed in July 2015, demonstrating that the Mount Peake Project will generate outstanding returns and paving the way for final approvals, project financing and development to proceed. An integral part of TNG's emerging strategic metals business its 100% ownership of the unique and patented TIVAN® hydrometallurgical process, which offers significantly lower capital and operating costs, lowers risk and successfully extracts all three valuable metals from the Mount Peake resource.

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

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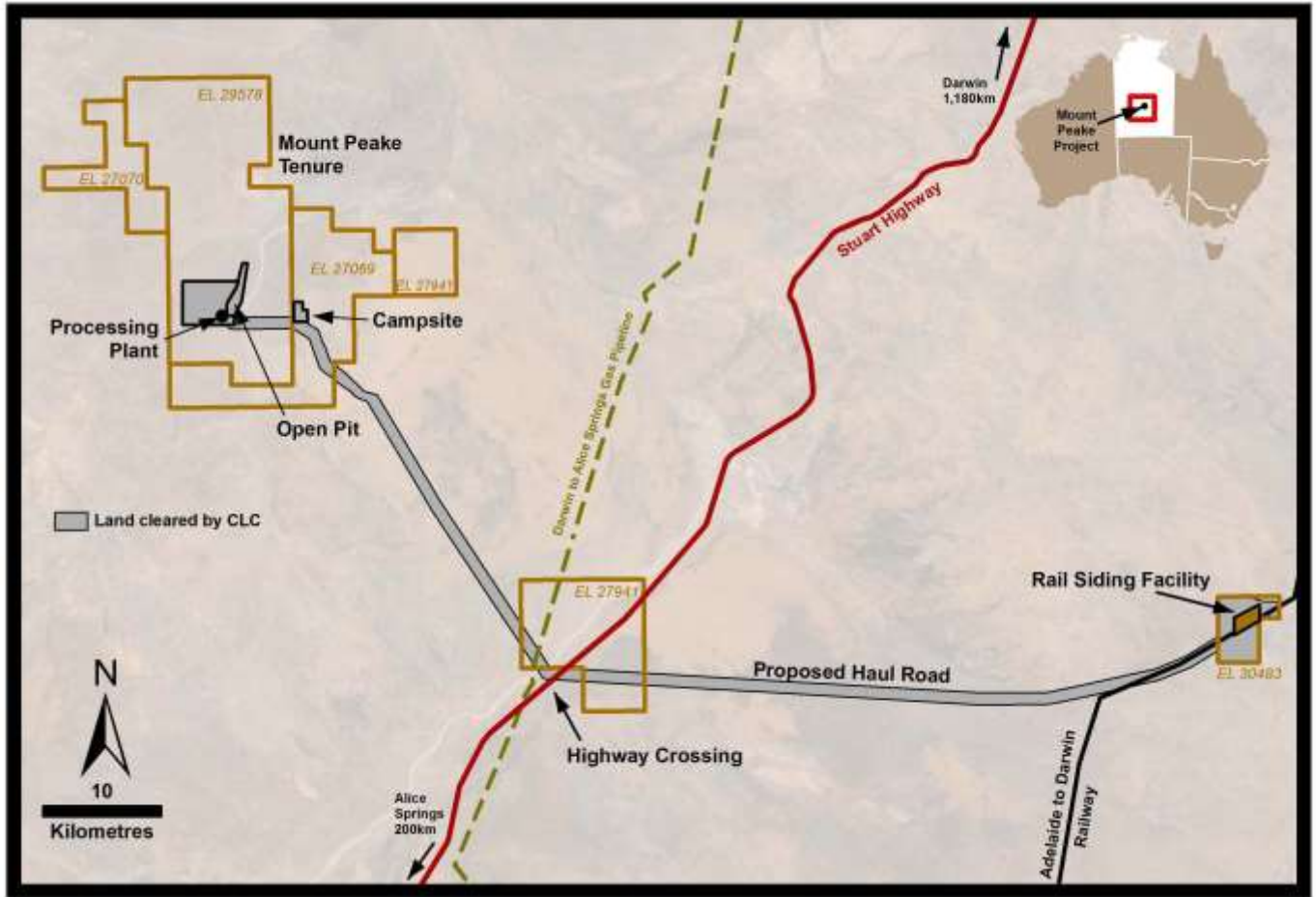


Figure 1. Mount Peake Project location diagram showing the areas cleared by the CLC and TOG, and covered by the Sacred Site Clearance Certificate.