

Clarification of ASX release 11 September 2013.

ASX ANNOUNCEMENT

24 September 2013

ASX CODE: TNG

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PROJECTS

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

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On 9 September 2013 the Company released an announcement titled "MD Presentation-Mining the Territory Conference" which provided information about the company's activities.

The company wishes to clarify the references made in the Appendix of the announcement as follows:

1. In this announcement reference was made in Appendix 1 to the "percentage of inferred resource used in the company's 2012 PFS". The company advises that the amount of inferred resource included in the mining inventory is 20.4%, or 15.5Mt as clarified in the company's announcement dated 19 September 2013.
2. In this announcement reference was made in Appendix 1 to the company's Exploration Target of "500-700Mt grading 0.2-0.4% V₂O₅, 4-6% TiO₂ and 23-35% Fe" in the Mount Peake project area.

The following provides clarification to the company's Exploration Target definition, including supporting information, as required under the new JORC 2012 guidelines.

Exploration Target Definition.

The grade ranges and tonnages referred to in the Exploration Target are approximations only. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The exploration targets have been estimated based on:

- a) The geophysical magnetic response of the Mount Peake magnetite mineralisation compared to other geophysical magnetic responses nearby to Mount Peake generated from geophysical magnetic surveys.
- b) TNG's knowledge of the geophysical response from vanadium, titanium and Iron bearing magnetite rocks in the area as a result of its detailed exploration results from the Mount Peake magnetite mineralisation.
- c) TNG's knowledge of the vanadium, titanium and Iron grade ranges in the Mount Peake magnetite mineralisation.
- d) Reconnaissance surface sample and drilling sample results from the exploration target areas.

Supporting Information to Exploration potential and Exploration Targets

The company is continuing to explore for further resources in the area. It has identified three large magnetic zones and one isolated magnetic anomaly from geophysical magnetic surveys, that have a similar geophysical response to the Mount Peake magnetite mineralisation. Surface fieldwork results indicate that some of these have the potential to host vanadium and titanium bearing magnetite mineralisation, while others remain untested (see Figure 1). Only those targets that have been tested by field work have been included in the exploration target estimation. The targets used in the estimation are based on minimal exploration and will require further exploration drilling to verify the current geological model and estimates of size.

Reconnaissance exploration designed to test the validity of the exploration targets was carried out by the company in 2011 and 2012. During regional sampling a surface grab sample of magnetic material from a large magnetic anomaly located 3km east of the Mount Peake deposit and extending over an area of 5km x 1km (Figure 1), was collected and assayed using the Company's portable NITON XRF analyser (NITON). The NITON is a field portable hand held Xray Fluorescence Analytical instrument. Values recorded by the NITON may not be equivalent to laboratory generated assays, may be subject to external factors but are a qualitative guide.

Results from the NITON recorded anomalously high readings of 22% titanium (Ti), 0.4% vanadium (V) and 56% iron (Fe).

In April 2012 the company tested four anomalies with a reverse-circulation (RC) reconnaissance drilling programme aimed at confirming the presence of magnetite-gabbro. Results from this drilling confirmed the presence of vanadium-titanium and iron bearing magnetite-gabbro. Two magnetic zones were confirmed as large magnetite-rich gabbro bodies with grades and widths consistent with those intersected at the Mount Peake magnetite mineralisation.

Four drill holes intersected significant true widths of magnetite-rich gabbro:

Hole No.	From (m)	To (m)	Gabbro Intersection (m)	Dip	Azimuth
12MPBFRC001	2	206	204	-60°	060°
12MPBFRC002	50	198	148	-60°	060°
12MPBFRC003	23	198	175	-60°	060°
12MPBBERC001	64	180	116	-55°	180°

Table 1: Significant Intersections of Magnetite-gabbro.

Laboratory assay results from these holes produced grades and widths consistent with those noted at the Mount Peake magnetite mineralisation. Significant results are shown in Table 2 and provide further encouragement that higher mineralised grades may exist within the magnetic features as at Mount Peake; however further drilling will be required to substantiate this.

Hole No.	From (m)	To (m)	Length (m)	Grade Fe (%)	Grade V ₂ O ₅ (%)	Grade TiO ₂ (%)
12MPNRC003	48	72	24	23.36	0.20	3.00
12MPBBERC001	130	164	34	21.94	0.20	4.63

Table 2: Significant analytical results, (XRF), (cut-off grade 0.1% V2O5)

The company concludes that these results support for the Company's Exploration Target for the Mount Peake Project Area of approximately 500-700Mt with an approximate grade range of 0.2-0.4% V₂O₅, 4-6% TiO₂. 23-35% Fe

Further drilling to define a resource from these will be carried out during the company's next drilling programme in 2014.

TNG LIMITED

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20 September 2013

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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 Managing Director Mr Paul Burton, B.Sc (Hons), M. Sc. Mr Burton is a member of the Australian Institute of Mining and Metallurgy, and a full time employee and Director of TNG Limited. Mr Burton 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 Burton consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.

Exploration results reported here are from TNG work (which has been conducted to industry-standard practice). TNG sampling was analysed by ALS laboratories and samples received total prep (100% of sample to >85% <75 um) with four acid digest and ICP/OES finish for a suite of 33 elements, including Fe, V, Ti by XRF.

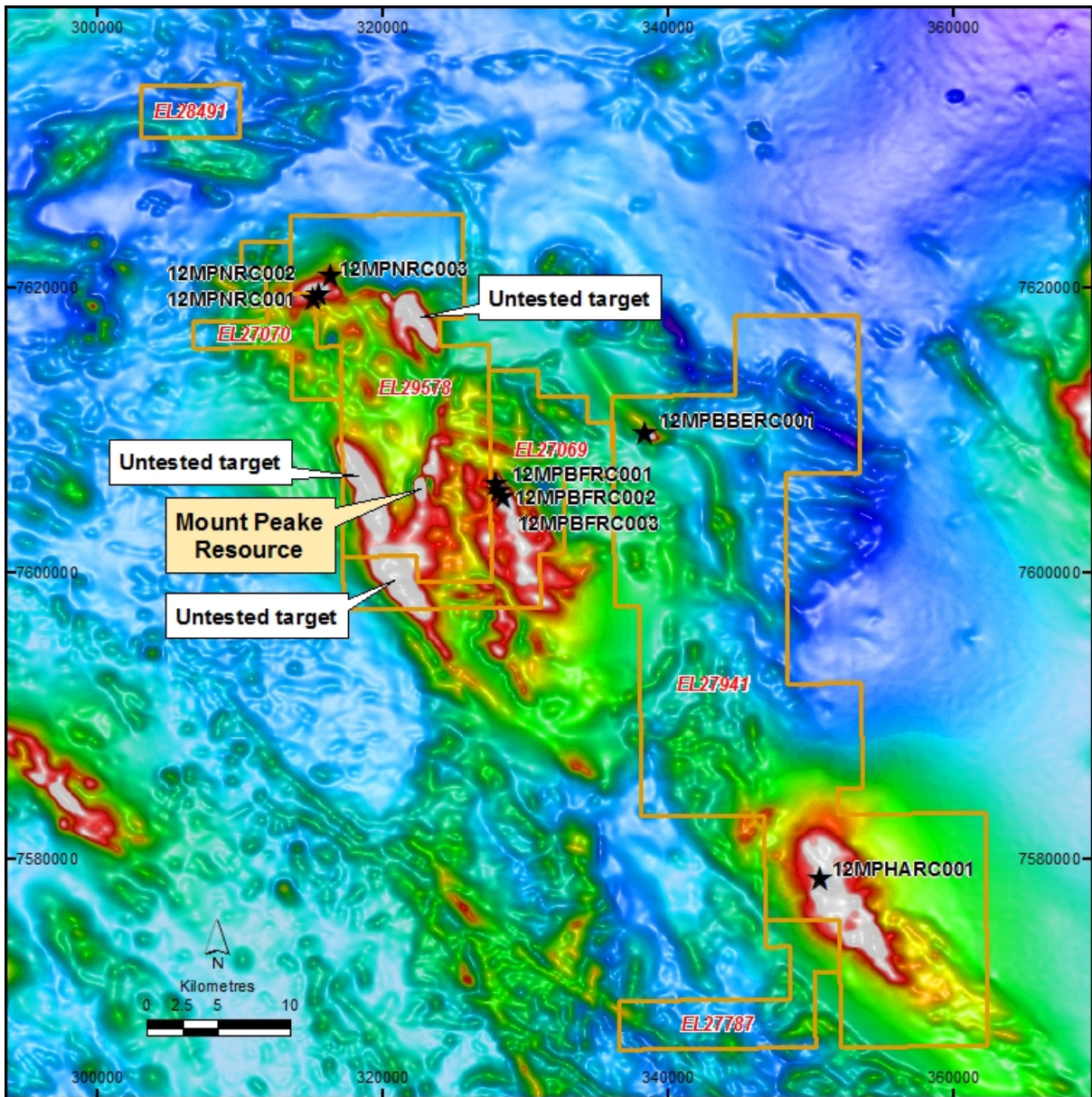


Figure 1: Mount Peake magnetic image with exploration targets and reconnaissance drilling.