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**137 metre thick coal sequence intersected,  
 Nuurst Project, Central Mongolia**

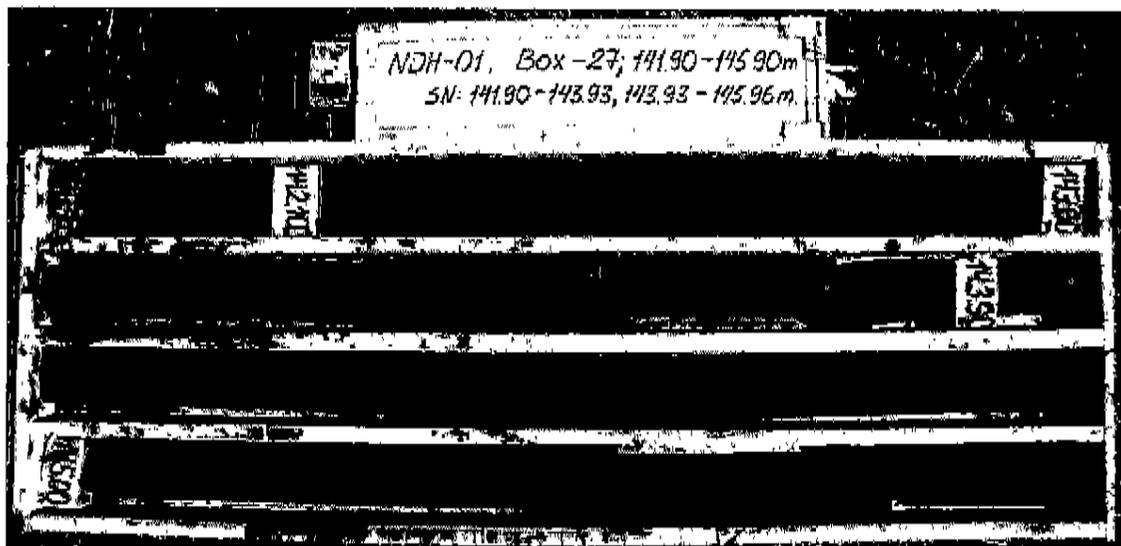
- 102 m thick coal seam within major coal sequence with minor argillitic interbeds
- Cumulative coal thickness of all seams is 124 m, intersected at open pit mineable depths
- First hole extends largest known intersection of coal on the Nuurst licence by more than 6 times
- Trenching has identified coaliferous material at surface approximately 500 m south west of the drillhole NDH01

The Directors of TVN Corporation Limited (ASX code: TVN) are pleased to announce the company's first Drill Hole NDH01 at Nuurst has intersected a coal system 137 m thick (down hole) commencing at 82 m extending down to 219 m with some minor interbedded argillitic bands of up to 4.4 m apparent (see appendix A). This is a significant intercept, at open pit mineable depths. Further drilling will be required to determine the nature and extent of this thick sequence.

It should be noted that the previously stated exploration target<sup>1</sup> at Nuurst of 50 to 100 million tonnes assumed an average coal thickness of 8 metres.

Nuurst is a 3,451 Ha exploration licence located 120kms south of Ulaanbataar in an area with a number of operating coal mines. Nuurst is 6km from existing rail infrastructure providing low cost access to the key coal export markets of China, South Korea and Japan.

Coal samples from NDH01 will be assayed in the near future and results released thereafter.



*Diagram 1: 4 m of the 137 m intersection in NDH01.*

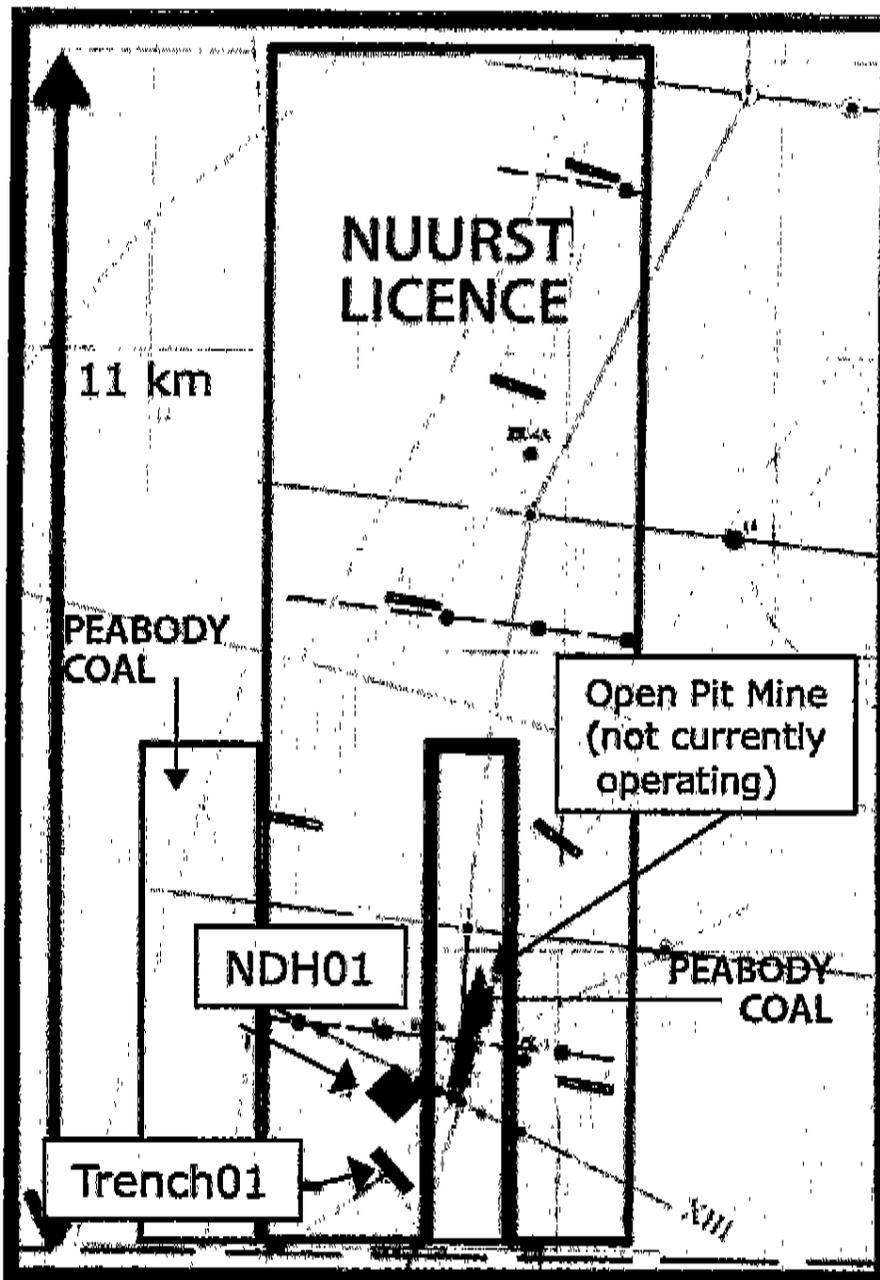
<sup>1</sup> The tonnage and quality expressed above is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



*Diagram 2: Mangood drill rig diamond drilling on the Nuurst Project.*

TVN has also commenced a trenching programme. Trench 01 has been excavated, approximately 500 m to the south west of NDH01. Excavation has uncovered coaliferous material at surface, dipping steeply to the north west in the north western end of the trench and shallowly dipping (to the south east) in the south eastern end of the trench.

The presence of coal in the first drill hole and trench of the due diligence and exploration programme is greatly encouraging and confirms the tenor of this coal asset.



*Diagram 3: Nuurst Project Licence, showing projected seam outcrop, adjoining leases and location of current drilling and trenching activities.*

### **TVN established in Mongolia**

Since announcing the acquisition of this project only 3 weeks ago, TVN's Mongolian team has secured governmental approvals on all three local government areas covered by the licence, mobilised drilling and excavating equipment, deployed its geology and drilling team and secured the necessary resources (including fuel supplies) to carry out a thorough exploration programme. This demonstrates the capability of the team TVN has established to acquire, explore and develop its assets in Mongolia.

### **Immediate Exploration Plan**

TVN intends to continue drilling and trenching to extend the known mineralisation to the north, south and west of these newly discovered occurrences with the aim of defining a JORC reportable resource with information gained over the current drilling season. The size of this resource will be dependent on the success of further drilling and trenching activities. The first hole has, however, significantly increased the known thickness of coal on the Nuurst licence. Our **previous exploration target of 50 to 100 million tonnes<sup>2</sup>** will be revised accordingly on completion of further drilling and trenching work over the coming months.

This is an exciting first project and has provided a robust platform from which TVN intends to grow through exploration and development of the quality Nuurst asset and acquisition of additional quality thermal and coking coal assets within Mongolia.

Chris Mardon  
Managing Director

### **Competent Person Statement**

*The information in this announcement that related to exploration results is based on information obtained from the vendor and Cadastral archives in Mongolia. This information has been reviewed by Mr Geoff Richards of CSA Global Pty Ltd, Western Australia. Mr Richards is a member of the Australian Institute of Geoscientists and has sufficient experience which is 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richards consents to the inclusion in the report of the matters based on his information in form and context in which it appears.*

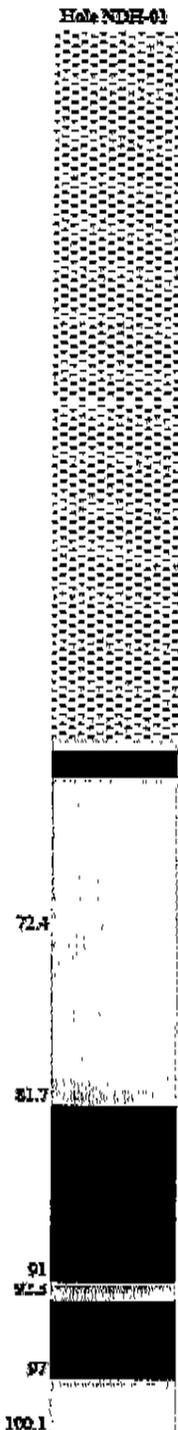
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<sup>2</sup> The tonnage and quality expressed above is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Preliminary Lithological Log for drillhole NDH-01



PROJECT NAME	Number	713100 E
LICENSE INFORMATION	XV-008159	5240800 N
DRILL HOLE NUMBER	NDH-01	UTM WGS-84
DATE COLLARED	2011.07.09	North 43
DATE COMPLETED	2011.07.16	Vertical
DESCRIPTION	From	To



(Colour, Weathering, Rock Type, Grains size etc)	From	To	Coal thickness
Thickened, no casing, Casing.	0.00	5.90	
Dark brown, medium to coarse grained sand with 0.5-2.00cm rock gravels, poorly sorted. Gravels 5-10%.	5.90	9.10	
Dark brown, fine to medium grained sand with 0.5-1.5 cm rock gravels, poorly sorted. Grained 10-15%	9.10	11.24	
Reddish brown, loam, clay. Poorly sorted, granules - 0.4-1.00 cm, -5-10%.	11.24	11.98	
Reddish brown, clay with poorly sorted granules -5-10%.	11.98	12.90	
Brown to dark brown, fine to medium grained sand with ~0.2-1.00 cm rock debris -5-10%.	12.90	19.03	
Dark brown, fine to medium grained sand with 0.2-0.5 cm rock fragments -5%.	19.03	19.13	
Grayish brown, fine to medium grained sand with 0.5-1.00 cm rock fragments -5%.	19.13	20.00	
Dark brown, loam with 0.5-1.00 cm rock fragments to -5-10%	20.00	20.40	
Dark brown, coarse to very coarse grained sand with ~0.3-1.00 cm rock fragments up to ~30-35%.	20.40	33.60	
Dark brown to brown, coarse to medium grained sand with poorly sorted, ~0.5 cm rock fragments -5-10%	33.60	47.00	
Brown, fine to medium grained sand. This interval has ~0.5-1.0 cm rock fragments -3-5%	47.00	50.00	
Well rounded gravels	50.00	50.40	
Brown reddish brown, loam with having a structured 0.5-2.0 cm rock fragments. This interval is 30-35%	50.40	57.74	
Dark gray, argillite. Upper and lower contact are broken. At 57.74-58.30 m, 0.5-1.0 cm coal seam with 30-35 degrees to core axis. Contact is broken. At 58.30-60.00 m, 0.5-1.0 cm coal seam with 30-35 degrees to core axis. Contact is broken.	57.74	60.00	
Dark gray argillite with rare coal seam and coal debris to 5%. At 60.00-67.90 m, 70.20-70.40 m, 71.31-71.93 m intervals thin banded coal layers. Bedding of the coal layers 30-35 degrees to core axis.	60.00	72.40	
Dark gray, coaliferous argillite and argillite with coal seam and its debris. At 72.40-72.98 m banded coaliferous argillite with coal seam, at 72.98-73.28 m coaliferous argillite layer. At 74.93-75.40 m dark, banded coal and coaliferous argillite seam. Coal seam is 30-35 degrees to core axis. Contact is broken. At 76.90-77.15 m banded coal seam, 30-35 degrees to core axis.	72.40	81.74	
Dark gray, black coal seam. Core is very broken. Pyrite appears as disseminated mineralization on some fragments. Coal seam is 30-35 degrees to core axis. At 81.74-87.55 m dark gray argillite layer, and 89.20-89.35 m argillite layer. Upper and lower contact are broken.	81.74	90.95	9.2
Gray argillite. Upper contact is broken. Lower contact is irregular. At 90.95-92.30 m interval clay, at 92.30-96.95 m gray argillite layer. At 94.25-95.62 m dark gray coaliferous argillite with 0.5-6.0 cm coal layer. The coal seam bedding is 30-35 degrees to core axis. At 95.62-96.95 m weathered coal seam with 0.5-2.0 cm clay layer.	90.95	92.30	
Gray, dark gray argillite. Upper contact is 0 degrees, lower contact is 5 degrees to core axis. At 96.95-97.05 m dark gray coaliferous argillite. Upper contact is 5 degrees to core axis, lower contact is 5 degrees to core axis. At 97.05-97.07 m dark	92.30	96.95	4.7
	96.95	100.15	

104.1	Black brown, black weathered coal. Upper contact is 5 degrees to core axis, lower contact is irregular. At 101.00 m to 0.20 m thick coaliferous argillite. Upper contact is broken, lower contact is 10 degrees to core axis.	100.15	104.10	3.9
106.8	Dark brown, black coal. Bedding of the coal seam is 5-10 degrees to core axis. Lower contact is irregular. Lower contact is 10 degrees to core axis.	104.59	106.84	2.3
111.2	Dark gray, gray coaliferous argillite with 0.5-3.0 cm thick coal layer. Bedding is 10-45 degrees to core axis. Lower contact is 15 degrees to core axis.	106.84	111.25	
	Dark brown, black weathered coal. Core is very broken. Coal seam bedding is 15-20 degrees mostly, rarely 40-45 degrees to core axis. At 113.00-113.10 m coaliferous argillite layer. Upper and lower contacts are 0-5 degrees to core axis.	111.25	121.00	9.8
126.8	Dark brown, black coal seam. At 121.00-121.80 m coal seam bedding is 45-50 degrees to core axis. At 121.80-126.75 m weathered coal seam, which has 5 degrees to core axis.	121.00	126.75	5.8
	Black coal seam. Coal seam is 30-35 degrees mostly to core axis, rarely 50-55 degrees to core axis. Upper contact 30 degrees, lower contact is 20-25 degrees to core axis.	127.12	131.85	4.7
	Dark gray, black coaliferous argillite. Lower contact is irregular.	131.85	132.35	0.5
133.8	Black brown coal. This coal seam is 30-35 degrees to core axis. At 132.50-132.58 m dark gray coaliferous argillite layer. Contact is broken.	132.33	133.60	1.3
134.3	Core washed. Dark gray coaliferous argillite. Core is broken.	133.60	134.30	
	Black brown weak weathered coal. Coal seam is 20-25 degrees mostly, rarely 65-70 degrees to core axis. Upper contact is 20 degrees to core axis, lower contact is broken. At 134.80-134.90 m black coaliferous argillite. Contact is irregular. Rarely, disseminated Sphide ??? on the fractures. At 137.80-138.05 m fault gauge zone. This core washed 50%.	134.30	141.90	7.6
	Black coal. 141.90-142.90 m interval fault gauge zone. Core is very broken. At 142.90-143.00 m coaliferous argillite layer. Coal seam is 25-30 degrees to core axis. At 143-38-143.50 m fault gauge zone.	141.90	148.00	6.1
	Black brown coal. Coal seam bedding is 5-10 degrees mostly, rarely 20-25 to core axis. At 151.90-151.95 m black coaliferous argillite layer.	148.00	158.00	10.0
	Black brown coal seam. Coal seam is 10-15 degrees mostly, rarely 20-25 degrees to core axis.	158.00	168.00	10.0
	Black brown coal seam. Coal seam is 10-15 degrees mostly, rarely 20-25 degrees to core axis.	168.00	176.00	8.0
	Black brown coal seam. Coal seam is 20-25 degrees mostly, rarely 30 degrees to core axis. At 171.65-171.75m, 185.30-185.40 m dark gray coaliferous argillite layer. Upper contact is 20 degrees to core axis, lower contact is irregular.	176.00	186.00	10.0



Black brown coal seam. Coal seam is 20-25 degrees mostly, rarely 5-10 degrees to core axis. At 194.50-194.95m disseminated pyrite in the groundmass 15-20%???	186.00	196.00	10.0
Black brown coal seam. Coal seam is 15-20 degrees mostly, rarely 5-10 degrees to core axis. At 204.88-206.22 m disseminated pyrite in the groundmass 10-15%	196.00	206.00	10.0
Black brown coal seam. Coal seam is 20-25 degrees mostly, rarely 20-25 degrees to core axis. Upper and lower contact are 10 degrees to core axis.	206.00	213.40	7.4
213.40-214.10 m gray fine grained sand /sandstone/. Upper and lower contact is broken.	213.40	216.14	
Black brown water washed coal seam. Coal seam is 20-25 degrees to core axis. Upper contact is 25 degrees, lower contact is 15 degrees to core axis. At 218.68-218.58 m dark gray sandstone. Upper and lower contact is 25 degrees to core axis.	216.14	219.00	2.9
Gray argillite with 0.1-0.2 cm thick coal seam. Upper contact is 30-35 degrees.	219.00	220.70	
DARK gray, gray sandstone with 0.1-1.0 cm coal seam. At 221.34-221.58 m interval coal seam. Upper contact is 30 degrees, lower contact is 20 degrees to core axis.	220.70	223.80	
Dark black weathered coal seam. Coal seam is 15 degrees to core axis. Contact is	223.80	224.08	0.0
Gray, banded argillite, argillite layer. At 227.50-229.00 core is very broken.	224.08	229.00	

Total coal thickness 124.0