

UPDATE ON TNG SHARE PLANS

Australian strategic metals company TNG Limited (ASX: TNG) (“TNG” or the “Company”) provides the following update on the TNG Employee Share Plan and TNG Non-Executive Director and Consultant Share Plan (together referred to as the “Share Plans”) which were approved at the Company’s AGM on 21 November 2012.

As noted in TNG’s March 2019 Quarterly Report (see ASX announcement dated 30 April 2019), under the Share Plans certain Directors, consultants and employees were issued TNG shares (“Plan Shares”) with the acquisition cost deferred to a future date.

The amounts outstanding on Plan Shares issued in November 2012, December 2012 and November 2013 became due at the end of 2018. The Company’s Managing Director, Paul Burton, and former non-executive Director Rex Turkington, both took up their allocations of November 2013 Plan Shares.

The Company offered the remaining Plan Shares to its major shareholders during the March 2019 Quarter and received interest which it has progressed. An agreed sale process was subsequently negotiated for certain shares issued pursuant to the Share Plans under the terms of the Share Plans, subject to confirmation of funds transfer.

The Company is now pleased to confirm that its major shareholder, Indian-based mining conglomerate the Vimson Group, is acquiring 14,538,235 Plan Shares. TNG’s Board of Directors considers this to be a further strong vote of confidence in the Company and its plans for development of its flagship Mount Peake Project.

The sale process was coordinated by Sanlam Private Wealth and agreed on 18 April 2019, subject to confirmation and then receipt of the international funds transfer. The sale was undertaken at a price of \$0.085 per Plan Share, which represented a 5% discount to the prevailing 10-day VWAP of \$0.089 calculated as at 18 April 2019 (consistent with the terms of the Share Plans).

While confirmation of the agreed sale process was received on 18 April 2019, receipt of funds occurred on 6 May 2019. The delay in this process was due to internal regulations in India, outside of both TNG’s and Vimson’s control.

The sale has generated proceeds of \$1,235,750 (before costs), which will be paid directly to the Company and not to the Directors, consultants or employees who held the Plan Shares. The funds will be used to progress activities associated with the advancement of the Mount Peake Project.

An Appendix 3Y (Change of Director’s Interest Notice) will be issued for directors for whom Plan Shares are sold.

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