



TNG Forges Agreement with Traditional Owners for Manbarrum Zinc-Lead-Silver Project

Agreement to extend exploration area and progress Mineral Lease Application

24 September 2010

Australian resource company TNG Limited (ASX:TNG) is pleased to advise that it has reached agreement with the Traditional Owners and the Northern Land Council to extend the existing exploration agreement and progress the Mineral Lease Application (MLA) for its 100%-owned **Manbarrum Zinc-Lead-Silver Project** in the Northern Territory (see *Figure 1*).

The agreement clears the way for establishing an Indigenous Land Use Agreement (ILUA) and granting of the Mineral Lease which is a pre-requisite to undertaking mining at the Manbarrum Project and represents an important phase for the Project. The company welcomes the decision of the Traditional Owners and support of the Northern Land Council (NLC) who are keen to see development in the region, and have excellent relationships with TNG.

The decision to submit the MLA was taken following the completion of a revised JORC compliant Mineral Resource estimate for the Sandy Creek resource earlier this year.

Importantly the agreement extends the existing area of exploration to include all exploration licences held 100% by TNG. Numerous additional priority exploration targets have been identified within the field, with the potential to deliver similar-scale deposits to those already defined at Sandy Creek and Djibitgun. These targets include the Landandi and Browns prospects, which support a broader potential Exploration Target¹ for total combined resources in the region of 80 to 100Mt at a range of 1.8 to 2.2 % (see *Figure 1*).

The ILUA agreement process will be managed by the NLC and is expected to take several months. During this process TNG will consider further metallurgical and feasibility Studies. The Company views this as an important additional step in progressing the Manbarrum Project and realising value for shareholders.

Yours faithfully
TNG LIMITED

Paul E Burton

Director & CEO

¹ The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resources.

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Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Paul Burton who is a Member of The Australasian Institute of Mining and Metallurgy and a Director of TNG Limited. Paul 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Burton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Michael Andrew who is a Member of The Australasian Institute of Mining and Metallurgy and a full time employee of Snowden Mining Industry Consultants Pty Ltd. Michael Andrew 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Michael Andrew consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This report contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast' and similar expressions. Persons reading this report are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Annual Information Form.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

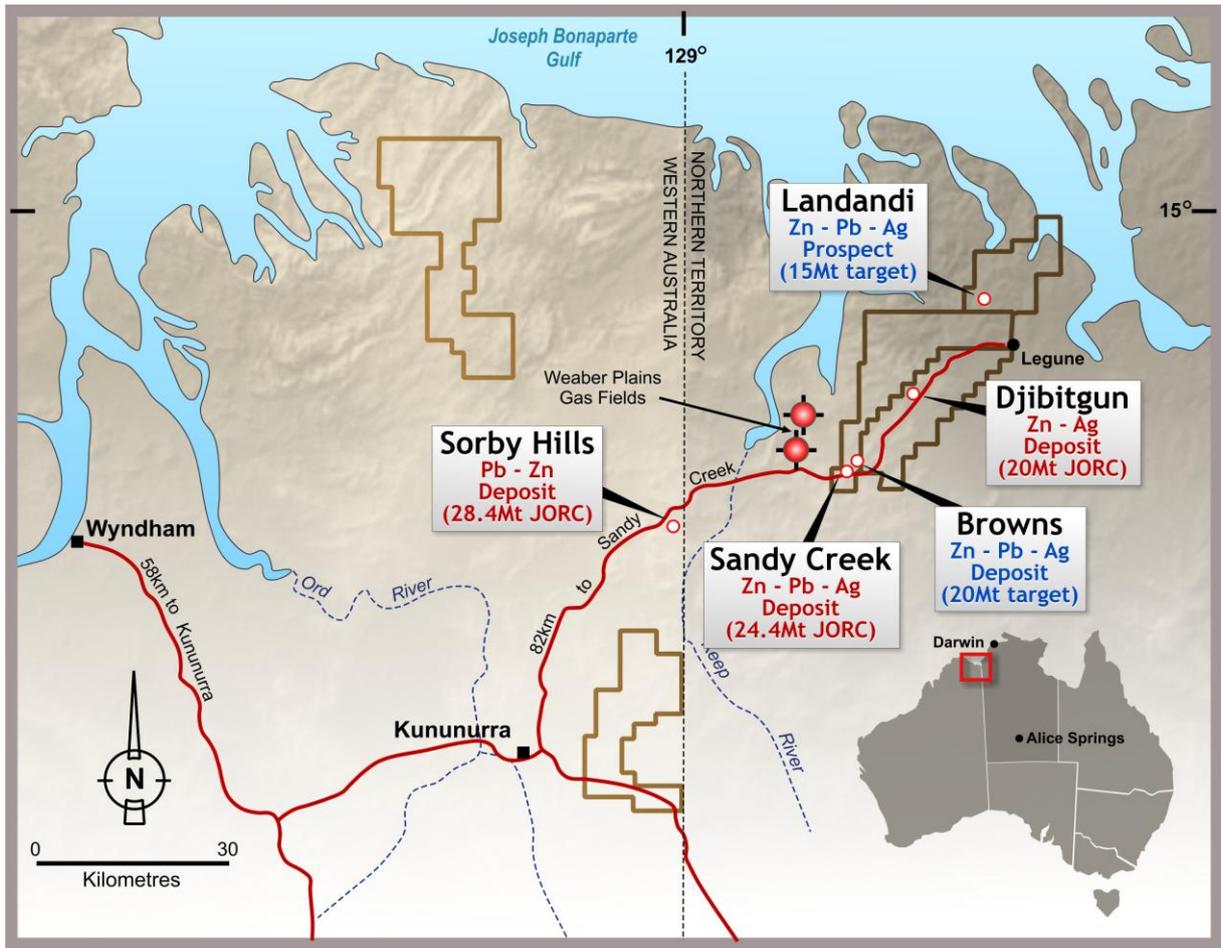


Figure 1: Location Map

(NB: Sorby Hills deposit is not owned by TNG Ltd., and is displayed for illustration purposes only as the deposit forms part of the total MVT deposits in the region).