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Subject to finance, TNG Ltd is just two Approvals away from being able to push the button on development of its Mount Peake vanadium-titanium-iron project in the Northern Territory.

Last month the company submitted its mining management plan to the NT's Department of Primary Industry and Resources. It is the final regulatory hurdle for the Mount Peake mine site and concentrator.

Over the coming months TNG will finalise and submit its EIS for the Darwin-based TIVAN@ processing facility.

Formal approval of the mining management plan and EIS are understood to be key requirements for the financiers looking to back development of Mount Peake, about 235km north of Alice Springs.

TNG managing director Paul Burton is not expecting any issues to arise from either permitting submission.

"The financiers are looking at everything at the moment and anything they would be saying to us would be subject to statutory approvals," Burton told **Paydirt**.

"In this country it's a process you have to go through, but once you've got it, you're free to go. We're very confident that the MMP will be acceptable and also the EIS will be acceptable. You never know, there may well be some comments that come back, but if there are, we'll deal with them."

In Burton's "ideal world", he hopes TNG will have packaged together funding arrangements and made a final investment decision on development of the Mount Peake project by this time next year.

TNG has been preparing for the start of construction in recent months with the appointment of several key personnel, including former Galaxy Resources Ltd executive Terry Stark as general manager of mining operations, Graeme Stephen as titanium process manager and Dan Foo as project director.

An optimised project delivery strategy was also unveiled in September with a single-stage 2 mtpa development plan put for-

ward as the preferred pathway to production, as opposed to the 3 mtpa increasing to 6 mtpa operation considered in previous feasibility studies.

Under this model, which encapsulates a mining schedule initially focused on two high-grade vanadium zones, capex is set to drop by \$29 million to \$824 million and mine life extended out to 37 years from the previously planned 20 years.

"We were very much focused on trying to keep our capex as low as possible," Burton said.

"Although the process we've developed has a lot of internal, well understood technologies, it's the first time this process will have been applied to this rock type. So, we don't want to make the mistake that many other projects have made by trying to ramp up too quickly and build something that's too big.

"We've identified two higher grade vanadium zones which make sense for us to mine first and allows us to get a very good robust return for the vanadium and also then for the titanium and the iron without having to go to a much higher ramp-up.

"It's a much simpler process for financiers to understand as well. They usually only ever look at a single stage, with any ramp-up subject to another round of financing. We're trying to be very fair to ourselves to give us the best chance of getting it financed and also to have a long life, very robust project."

A FEED study being undertaken by TNG's strategic partner, German-based engineering firm SMS Group, is still to be finalised, however, the company is confident its proposed production start for late 2022 remains on course.

TNG's mandated debt financier KfW IPEX-Bank has also confirmed the simplified one-stage build is more amenable to the targeted debt-equity structure for the project.

Binding offtake agreements are in place for the vanadium pentoxide (WOOJIN) and



Paul Burton

titanium dioxide pigment (DKSH) to be produced from Mount Peake, however, TNG will need to revisit arrangements for the iron ore after a term sheet with Singapore's Gunvor Group lapsed in September.

"We have been talking to other people, but we're also still in discussions with Gunvor," Burton said.

"The offtake we had for them was for 60% [of the iron ore], but they're still interested and they're happy to take 40% or more. All of that will unfold over the next few months, but certainly not in any way has this detracted from the robustness of the project."

Burton welcomed the support his company has received from the NT Government over more than a decade working on the Mount Peake project which could be the Territory's first major resources development in several years.

"We still have to define the full details on the royalty scheme with the Government and any taxes as well, but that is a discussion that is ongoing," he said.

"We are very happy with the approach that they're taking and we couldn't be more supportive of them as well. I think they're very pro-development of resource projects and I think they would very much like to see more projects developed.

"This will be a great project for the NT economy and employment there."

At the time of print, TNG announced it would undertake dual listing in London to enhance its project financing options.

– Michael Washbourne