MOUNT PEAKE PROJECT
DEVELOPMENT UPDATE

Australian strategic metals company TNG Limited (ASX: TNG) (“TNG” or the “Company”) is pleased to provide an update on the multiple concurrent work streams being undertaken towards the development of its flagship Mount Peake Vanadium-Titanium-Iron Project (“Project”), located in the Northern Territory, Australia.

FRONT-END ENGINEERING AND DESIGN (“FEED”)

TNG’s strategic engineering and development partner, the German-based metallurgical engineering firm SMS group (“SMS”), has been advancing the comprehensive FEED study for the Project. The areas covered include all the process plant equipment required for the mine site Beneficiation Plant and all processing equipment for the Darwin based TIVAN® Processing Facility (“DPF”), including all associated plant and equipment.

SMS are now progressing towards the delivery to TNG of its EPC proposal which will include process and product guarantees.

Meetings and site visit

In August and November 2019, TNG representatives visited both the SMS and Ti-Cons headquarters in Germany for discussions on the progress of the FEED study and to observe confirmatory testwork programs.

On 28 January 2020, SMS’s FEED team provided a detailed briefing to TNG’s Management and FEED team at TNG’s office in Perth. The team then travelled to Darwin for a site visit and meetings with the NT Government. SMS representatives will be conducting further meetings with reagent suppliers and construction companies.

SMS is now fully focused on finalising all aspects of the process plant design and progressing their tendering processes in support of EPC pricing, which includes detailed engineering, equipment package units, civil and structural works, supporting infrastructure, erection and balance of plant components.

NON-PROCESS INFRASTRUCTURE (“NPI”)

In parallel to the FEED study, the Company has advanced the planning and design for the NPI required at both the DPF and mine site Beneficiation Plant. This includes multiple packages for haul roads, mining, tailings, bore fields, accommodation camp, logistics infrastructure and power supply. These are very advanced and tender packages have been prepared.

The Company is now managing the tendering processes for the multiple NPI work packages.

NORTHERN TERRITORY GOVERNMENT (“NTG”)

TNG representatives have met regularly with members of the NTG’s Project Control Group to further progress key areas of NTG assistance and input into the Project. These include permitting, logistics, supporting infrastructure, site access, tenure for the DPF site and local industry participation, among other matters.

The NTG has reinforced their commitment to support, facilitate and assist in the development of the Project where possible.
ENVIRONMENTAL IMPACT STATEMENT (“EIS”)
As announced on 2 December 2019, the Draft EIS for the DPF is available for public review until 21 February 2020.

The Company and its principal environmental consultant, Animal Plant Mineral Pty Ltd, have been liaising with the Northern Territory Environment Protection Authority and expect a response in the near future.

PROJECT FINANCING
The Company has continued to progress work and planning with its exclusive senior debt advisor and arranger, KfW IPEX-Bank GmbH (“KfW IPEX-Bank”), focusing on achieving a tailored debt structure to fund the development of the Project. Work also continues on the development of the project equity structure.

VANADIUM REDOX BATTERY (“VRB”) BUSINESS
The Company has developed a business plan scope for developing a potential VRB business within Australasia, and is currently in discussions with a group for this implementation. The Company will provide a further update on this shortly.

Management Comment
TNG’s Managing Director & CEO, Mr Paul Burton, said:

“We are very pleased with the progress made by our project development and implementation team so far, and particularly the progress made by SMS on the FEED study as its advances towards the delivery of an EPC Proposal. The TNG team, together with SMS and all our other contractors, have been working tirelessly to optimise the project.

“Additionally, with the full support from the Northern Territory Government and the commitment shown by KfW IPEX-Bank, we believe that TNG is well placed to progress the development of the world-class Mount Peake Project in the near future. We look forward to receiving the final results of the FEED study as TNG advances in readiness for a potential Final Investment Decision later this year.”

Paul E Burton
Managing Director & CEO
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Inquiries:
Paul E Burton
Managing Director and CEO + 61 (0) 8 9327 0900
Paula Raffo
Investor Relations + 61 (0) 8 9327 0900
Nicholas Read
Read Corporate + 61 (0) 8 9388 1474
About TNG

TNG is building a world-scale strategic metals business based on its flagship 100%-owned Mount Peake Vanadium-Titanium-Iron Project in the Northern Territory. Located 235km north of Alice Springs, Mount Peake will be a long-life project producing a suite of high-quality, high-purity strategic metals products for global markets including vanadium pentoxide, titanium dioxide pigment and iron oxide. The project, which will be a top-10 global producer, has received Major Project Facilitation status from the NT Government.

Vanadium is a highly strategic metal which is used as an alloy in steel. It is also in strong demand for use in energy storage, with vanadium redox batteries used to store electricity generated by solar and wind power, and lithium-vanadium ion batteries used to power hybrid cars.

Forward-Looking Statements

This announcement has been prepared by TNG Limited. This announcement is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

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