

## UPDATE ON BINDING TERM SHEET WITH THE VIMSON GROUP FOR LIFE-OF-MINE OFF-TAKE FOR MOUNT PEAKE IRON PRODUCTS

Australian resource and mineral processing technology company TNG Limited (ASX: TNG) (“TNG” or the “Company”) is pleased to provide an update on the Binding Term Sheet previously signed with leading Indian mining conglomerate the Vimson Group, through its Singapore-based, wholly owned subsidiary, V. M. Salgaocar & Bro. (Singapore) Pte. Ltd. (“V. M. Salgaocar & Bro.”), for the life-of-mine off-take of the high-purity iron ore products to be produced by the Company’s flagship 100%-owned **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory.

Under the Binding Term Sheet, TNG will sell, and V. M. Salgaocar & Bro. will purchase, 100% of the iron products planned to be produced by Mount Peake on an FOB basis for global marketing and distribution, for a fixed commission (see ASX announcement dated 12 December 2019 for further details). TNG intends to produce approximately 500,000 tonnes per annum of iron oxide fines from its planned Darwin-based TIVAN® Processing Facility, alongside high-purity vanadium pentoxide and titanium pigment products.

The life-of-mine off-take agreement (“Agreement”) was due to be completed within six months from the date of the Binding Term Sheet. Measures taken by both companies in response to the COVID-19 pandemic have impacted the progression of the Agreement, and the parties have mutually agreed to extend the completion date for the Agreement by an additional 45 days from the initial six months.

The Vimson Group, which is a major shareholder in TNG with a stake of 9.84%, is a family-owned Indian conglomerate with extensive interests in mineral resources, financial services, real estate development, healthcare and sports. Its head office is in Goa, India, with other offices in Mumbai, Delhi, Bengaluru, and Singapore. The Vimson Group has been in the business of mining, processing and transporting iron ore from its fully integrated supply chain in India since 1952 and has been supplying leading Japanese, Korean and Chinese companies including Nippon Steel and POSCO. More information can be found at [www.vimsongroup.com](http://www.vimsongroup.com).

### **Management Comment**

Commenting on the status of the Binding Term Sheet, TNG’s Managing Director & CEO, Mr Paul Burton, said:

*“The Company remains focused on finalising all off-take agreements for the high-purity products planned to be produced at Mount Peake. TNG together with Vimson are committed to reach the final off-take agreement for iron oxide products on a life-of-mine basis as soon as possible, which will cement the strong relationship we have developed with Vimson since their original investment in the Company in 2018.”*

Authorised by:

**Paul E Burton**

Managing Director and CEO

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**About TNG**

TNG is a Perth based resource and mineral processing technology company focussing on 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 products for global markets including vanadium pentoxide, titanium dioxide pigment and iron ore fines. The project, which is expected to be a top-10 global producer, has received Major Project Facilitation status from the Northern Territory Government.

**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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