

## TNG SIGNS BINDING LIFE-OF-MINE OFF-TAKE AGREEMENT FOR MOUNT PEAKE IRON ORE PRODUCTION WITH INDIA'S VIMSON GROUP

*Completion of third life-of-mine off-take agreement marks another key step towards financing and development of the Mount Peake Vanadium-Titanium-Iron Project*

### Key Points

- **Binding Off-take Agreement for Life-of-Mine (LOM) signed with the leading Indian mining conglomerate, VIMSON Group, for TNG's iron ore production.**
- **VIMSON Group, through its Singapore-based, wholly-owned subsidiary V.M. Salgaocar & Bro. (Singapore) Pte. Ltd ("V. M. Salgaocar & Bro."), will provide full distribution services, including freight, technical support, logistics, marketing and sales for TNG's iron product(s) from the Mount Peake Vanadium-Titanium-Iron Project.**
- **TNG will sell, and V. M. Salgaocar & Bro. will purchase, 100% of TNG's iron ore products (~500,000tpa of high grade iron ore fines) on an FOB basis to market globally.**
- **TNG already has binding life-of-mine off-take agreements in place for up to 100% of titanium dioxide pigment with Swiss group DKSH and up to 60% of vanadium pentoxide with Korean group WOJIN.**

Australian resource and mineral processing technology company TNG Limited (ASX: **TNG**) ("TNG" or the "Company") is pleased to announce that it has taken a further important step towards the financing and development of its 100%-owned **Mount Peake Vanadium-Titanium-Iron Project** in the Northern Territory after signing a Binding Life-of-Mine Off-take Agreement ("Agreement") with the leading Indian mining conglomerate VIMSON Group for high-purity iron products.

Under the Agreement, which has been signed with Vimson's Singapore-based, wholly-owned subsidiary, V. M. Salgaocar & Bro. (Singapore) Pte. Ltd. ("V. M. Salgaocar & Bro."), TNG will sell and V. M. Salgaocar & Bro. will purchase up to 100% of the iron product to be produced by Mount Peake on an FOB basis for global marketing and distribution, for a fixed commission.

TNG intends to produce approximately **500,000 tonnes per annum of high grade iron ore fines** (+64% Fe) from its proposed Darwin-based TIVAN<sup>®</sup> Processing Facility.

The VIMSON Group 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 on the Vimson Group can be found at [www.vimsongroup.com](http://www.vimsongroup.com).

The Agreement, together with the binding off-take agreements TNG already has in place for up to 60% of its vanadium pentoxide product (see ASX Announcement dated 7 September 2015) and up to 100% of its titanium dioxide pigment product (see ASX Announcement dated 13 May 2019), underpins the Company's commercial strategy for the Mount Peake Project and creates a strong foundation for the Project's financing and development.

**Management Comment**

Commenting on the signing of the landmark Agreement with V. M. Salgaocar & Bro., TNG's Managing Director & CEO, Mr Paul Burton, said:

*"The completion of a binding sales agreement for the third high-value product to be produced at Mount Peake marks another exciting and positive milestone for our shareholders, building on the landmark off-take agreements with the South Korean company WOOJIN for vanadium products, and with the Swiss company DKSH for titanium dioxide pigment.*

*"We are delighted to have signed this agreement with the VIMSON Group, a leader in the Indian resources sector and one of our major shareholders. VIMSON has similar values and growth strategies to TNG, and shares our vision of creating a world-class strategic metals project at Mount Peake that will produce a diversified suite of high-value products for global markets for many decades to come.*

*"The signing of this off-take agreement effectively concludes the original intentions and discussions regarding VIMSON's initial investment in TNG back in 2018, and we are delighted to welcome them as both an off-take partner and customer as well as a long-term cornerstone shareholder.*

*"We are also very pleased that we were able to execute this agreement in the current challenging global market environment, which is a solid achievement by our team and a testament to the quality and robustness of the Mount Peake Project."*

Commenting on the signing of the Binding Off-take Agreement with TNG, Mr Vivek S. Salgaocar, Director of V. M. Salgaocar & Bro., said:

*"We are excited by the prospect of bringing TNG's differentiated iron products to market, and will leverage our deep capabilities to ensure the best financial outcome for all involved. This is a further step in Vimson's path towards growing its global presence in the mineral resources space."*

Authorised by:

**Paul E Burton**  
Managing Director

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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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