

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

TNG LIMITED

ACN or ARBN

000 817 023

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for (a) exploration and evaluation	(2,753)	(7,534)
(b) development	-	-
(c) production	-	-
(d) administration	(591)	(1,712)
1.3 Royalties received	-	-
1.4 Interest and other items of a similar nature received	81	195
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(3,263)	(9,051)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) tenements	-	-
(b) equity investments	(107)	(107)
(c) other fixed assets	(23)	(44)
1.9 Proceeds from sale of: (a) tenements	-	-
(b) equity investments	-	-
(c) controlled entity	-	-
(d) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(130)	(151)

1.13 Total operating and investing cash flows (brought forward)	(3,393)	(9,202)
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Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. (net of expenses)	4,969	4,986
1.15	Payment for shares	–	–
1.16	Proceeds from borrowings	–	–
1.17	Repayment of borrowings	–	–
1.18	Dividends paid	–	–
1.19	Other	–	–
Net financing cash flows		4,969	4,986
Net increase (decrease) in cash held		1,576	(4,216)
1.20	Cash at beginning of quarter/year to date	4,089	9,881
1.21	Exchange rate adjustments to item 1.20	–	–
1.22	Cash at end of quarter	5,665	5,665

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to these parties included in item 1.2	121
1.24	Aggregate amount of loans to the parties included in item 1.10	–

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities - Mortgage on Exploration base in Kununurra	480	480
3.2 Credit standby arrangements	–	–

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	620
4.2 Development	–
Total	620

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	5,548	3,972
5.2 Deposits at call	-	-
5.3 Bank overdraft	–	–
5.4 Other – security deposits	117	117
Total: cash at end of quarter (item 1.22)	5,665	4,089

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

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Issued and quoted securities at end of current quarter

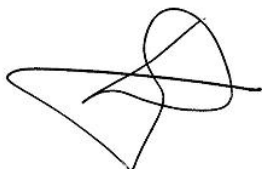
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	192,683,315	192,683,315		
7.4 Changes during quarter				
(a) Increases through issues	9,090,910	9,090,910	\$0.55	\$0.55
(b) Increase through exercise of options	1,400,000	1,400,000	\$0.17	\$0.17
(c) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options			Exercise Price	Expiry Date
A – Director, Consultant and Employee Options	200,000 14,000,000 5,100,000	– – –	\$0.75 \$0.49 \$0.32	01 November 2009 31 March 2010 31 December 2011
7.8 Issued during quarter	1,500,000 200,000	1,500,000 200,000	\$0.49 \$0.75	31 March 2010 01 November 2009
7.9 Exercised during quarter	1,100,000	100,000	\$0.17	\$0.17
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

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Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Sign here:

Date: 31 January 2008

(Company Secretary)

Print name:

DAMIAN DELANEY