



\$4M JOINT VENTURE OF ROVER, GODDARDS AND MUSGRAVE TENEMENTS

27 February 2008

HIGHLIGHTS

- **Joint Venture Agreement signed with Western Desert Resources for portfolio of non-core exploration projects.**
- **Agreements cover 100% owned Rover, Goddard and Musgrave Prospects.**
- **WDR to spend \$4M to earn an 80% interest.**

TNG Limited (ASX: TNG) ("TNG") is pleased to advise that it has reached agreement with ASX-listed exploration company, Western Desert Resources (ASX: WDR) ("WDR"), to joint venture a portfolio of non-core mineral exploration projects in the Northern Territory.

Under the agreement, WDR subsidiaries can earn up to an 80% interest in the **Rover, Goddard and Musgrave Prospects** by funding exploration expenditure totaling A\$4 million across the project group.

In addition TNG will not be required to make any further financial contributions in respect of its interest in each of the Prospects until the successful completion of a Bankable Feasibility Study.

The agreement is consistent with TNG's focus on its core asset, the 100%-owned **Manbarrum Zinc-Lead-Silver Project** in the Northern Territory of Australia, where it completed a major exploration program in 2007 and is currently working on an updated resource estimate.

The three projects subject to the joint venture agreement are prospective for copper, copper-gold, nickel and uranium.

The Rover Project encompasses a 1,254km² ground package in the Tennant Creek region of the Northern Territory, the Musgrave Project covers a large tract of ground on the south-east margin of the Musgrave Block and the Goddards Prospect (also known as Tanami East) hosts significant malachite mineralization.

It is envisaged at this stage that each of the Rover, Goddards and Musgrave Prospects will be subject to joint venture arrangements. A summary of the expenditure required and the earn-in profile is set out below:

Prospect	Expenditure to earn 51%	Expenditure to earn further 29%	TOTAL
Rover	500,000	850,000	1,350,000
Goddards	250,000	400,000	650,000
Musgrave	750,000	1,250,000	2,000,000
Total	\$1,500,000	\$2,500,000	\$4,000,000

Certain time periods have been set for WDR to earn in to the prospects. To earn the initial 51% interest, WDR must spend the amounts above for the respective prospects within 18 months of date of grant of the tenements, at which point a Joint Venture arrangement will come into existence. WDR then has a further 30 months from date of incorporation of the Joint Venture to spend the tabulated amounts to earn up to an 80% interest in the tenements.

TNG believes this is a positive outcome to leverage value from these tenement prospects, with the Company retaining exposure to future exploration success while maintaining its focus on the Manbarrum Project.

Yours faithfully

TNG Limited



Neil G Biddle
Managing Director