TNG LIMITED

ASX ANNOUNCEMENT

ASX CODE: TNG

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PROJECTS
Mount Peake: Fe-V-Ti
Manbarrum: Zn-Pb-Ag
East Rover: Cu-Au
McArthur: Cu

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TNG SET TO COMPLETE SECOND STAGE OF $13.4M CHINESE TRANSACTION AFTER ECE RECEIVES FIRB APPROVAL

SECOND STAGE INVESTMENT OF $6.8M APPROVED TO PROCEED

Key Points:

- **Foreign Investment Review Board (FIRB) approval received for proposed investment of $6.8M at 11c by Ao-Zhong International Mineral Resources Pty Ltd, a subsidiary of China's ECE.**
- **Enables completion of the second stage of the overall $13.4M transaction with ECE and Aosu Investment and Development Co Pty Ltd (a private Chinese investor introduced by ECE), with all regulatory and shareholder approvals now in place.**
- **The first stage, a $6.6M investment by Aosu, was completed on 18 January 2012.**
- **The funds injected by Ao-Zhong and Aosu will be used to underpin the feasibility and evaluation of the world-class Mount Peake Strategic Metals Project in the Northern Territory.**
- **On completion, Ao-Zhong will be offered one non-executive Board position on the TNG Board.**

Australian resources company TNG Limited (ASX: TNG) is pleased to advise that its strategic partner, Jiangsu Eastern China Non-Ferrous Metals Investment Holding Co., Ltd ("ECE"), has received approval from Australia's Foreign Investment Review Board ("FIRB") for its proposed **$6.8 million investment** in TNG, clearing the way for completion of the second stage of the overall $**13.4 million transaction**.

Following the approval, ECE subsidiary Ao-Zhong International Mineral Resources Pty Ltd ("Ao-Zhong") will complete its investment of **$6,847,479** (before costs) at 11 cents per share.

The overall $13.4 million transaction with ECE was approved by shareholders at the General Meeting on 21 December 2011 and all other approvals have now been received. Completion of this second stage of the transaction is scheduled to occur shortly.

The first stage of the transaction – under which Aosu Investment and Development Co Pty Ltd, a privately owned Chinese company introduced by ECE, subscribed for 59,808,643 shares at 11 cents – was completed on 18 January 2012, resulting in a cash injection of $6.6 million (before costs).

The completion of Ao-Zhong's subscription will provide additional significant funding to underpin the evaluation, feasibility and development of TNG's flagship Mount Peake Strategic Metals Project, including commercialisation of the TIVAN™ hydrometallurgical process. The funds will also underpin continued activity at the Company's other projects.

Under the agreement, once the transaction is completed, Ao-Zhong will have the ability to nominate a non-executive director to the Board of TNG. Details of Aosu's and Ao-Zhong's nominees to the TNG Board were set out in the Notice of Meeting released to ASX on 21 November 2011.

TNG's Managing Director, Mr Paul Burton, said he was delighted that the final regulatory hurdle had been cleared, enabling the transaction with ECE to be completed.

"I would like to thank ECE and Aosu for the extremely positive and professional way in which they have conducted all aspects of this process," Mr Burton said. "I am looking forward to welcoming Ao-Zhong as a major shareholder alongside Aosu, and look forward to working with ECE towards the successful development of the Mount Peake Project and our other projects"

"TNG now has a substantial cash balance, sufficient to forge ahead with completion of the Pre-Feasibility Study on the Mount Peake Project on the back of the highly successful pilot plant testwork program for the TIVAN™ process"

"This is an exciting time for TNG and for ECE, and shareholders can look forward to a period of significant activity and news flow as we ramp up the feasibility and development program with the clear objective of building a world-class strategic metals business in the Northern Territory."

About ECE

ECE is a subsidiary of the East China Mineral Exploration & Development Bureau, which is a major Chinese mineral exploration, development and mining group, based in Nanjing, that has been set up since 1955. It has over 5,000 employees and is one of the few organisations authorised by the Chinese Government to carry out geological exploration and scientific research in major State classified projects.

ECE has discovered more than 160 ore deposits in China with a potential value of in excess of $10 billion.

TNG LIMITED

Paul E Burton
Managing Director
30 April 2012

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