TNG LIMITED

19 June 2015

TNG SIGNS MOU FOR SOLAR POWER OPTIONS AT MOUNT PEAKE VANADIUM PROJECT

Teams up with Australia's Energy Made Clean (EMC) to evaluate renewable energy supply options

HIGHLIGHTS

- **Non-binding MOU signed with the Australia's Energy Made Clean Ltd ("EMC") to consider long-term strategic cooperation for the supply & installation of EMC's Solar Power System (SPS) at its flagship Mount Peake Vanadium Project in the NT.**
- **Under the MOU, EMC will assist TNG to evaluate the most efficient energy supply options, including delivery of a Solar Power System suitable to run with a Vanadium Redox Battery (VRB) system to provide power to run the Mount Peake mine site and TIVAN® refinery.**
- **EMC are leaders in the design, supply and installation of commercial-scale solar power installations. The MOU builds on TNG's recent MOU with leading vanadium battery manufacturer for the supply of a Vanadium Redox Battery (VRB) for the Mt Peake Project.**
- **The MOU also encompasses cooperation for project development including, but not limited to, assistance with completion of the Mount Peake Feasibility Study.**

Australian strategic metals company TNG Limited (ASX: TNG) is pleased to announce that it has signed a Memorandum of Understanding (MOU) with leading Australian renewable energy group Energy Made Clean Ltd ("EMC") to evaluate and implement energy supply options for its 100%-owned **Mount Peake Vanadium Project**, including the potential supply of a state-of-the-art Solar Power System (SPS) to the project.

The MOU follows TNG's recently announced MOU with a leading global vanadium battery manufacturer for the potential supply of a **Vanadium Redox Battery** (VRB) at Mount Peake. EMC's expertise in the design and installation of state-of-the-art commercial solar power installations will allow TNG to evaluate and implement the most efficient solution for the supply of energy at its operations.

A Solar Power System, in conjunction with a VRB storage system, could significantly cut power costs at TNG's operations, supply the Company with a renewable energy solution, as well as provide a showcase for the rapidly increasing use of Vanadium Redox Battery installations in remote areas.

Energy Made Clean (EMC) has established a strong reputation for designing, building, owning and operating renewable energy projects since 2004. EMC's project team has significant demonstrated experience across a range of innovative energy projects including solar PV, battery storage systems and off-grid energy systems. These projects have been delivered for a number of private and government clients. EMC designs, constructs and commissions these projects using a team of in-house engineers and construction specialists.

TNG is currently in the final stages of its advanced Feasibility Study for the Mount Peake Project, which will be a potentially world-class, long-life strategic metals project producing three highly valuable products: high-purity vanadium pentoxide (V_2O_5), iron oxide (Fe_2O_3) and titanium dioxide (TiO_2).

Mount Peake comprises one of the largest undeveloped vanadium-titanium-iron resources in the world and has the potential to be a top-10 global producer of strategic metals.

The Mount Peake Feasibility Study is on track to be completed in the next few weeks, with the results anticipated to be announced in July. An integral part of the Feasibility Study completion is the current TIVAN® Pilot Plant testwork underway at the CSIRO in Perth. Full completion of all aspects of this work is expected by the end of June, with results to be reported following review.

Under the terms of the MOU with EMC, subject to satisfactory discussions, approvals and regulatory requirements, TNG and EMC may enter into binding agreements for:

- The supply and installation of a SPS for the Mount Peake mine site;
- The supply and installation of a SPS for the TIVAN® refinery site;
- Close cooperation between TNG and EMC for TNG's project development including but not limited to assisting with completion of the Feasibility study by supplying the technical specifications and capital cost of the SPS;
- Close cooperation between TNG and EMC for EMC's product development;
- Agreements between EMC and TNG are intended to be structured in a way to allow TNG to raise direct or third party financing for the development of its Mount Peake project; and
- Any other mutually beneficial arrangements.

A Solar Power Array in a remote location (photo courtesy of Energy Made Clean)

TNG's Managing Director, Mr Paul Burton, said the MOU with EMC complemented and enhanced the Company's existing relationship with global battery manufacturer potentially paving the way for the design and installation of a fully integrated, state-of-the-art Solar Power System and Vanadium Redox Battery (VRB) power storage system at the Mount Peake mine site.

"We are delighted to be working with one of Australia's renewable energy leaders to fully evaluate and implement the best possible renewable energy solution for the Mount Peake operation," he said.

"This work ties in well with the power supply scenarios we have been working on as part of the Mount Peake Feasibility Study, and has the potential to make a significant contribution to reducing our overall power costs at the project, while at the same time putting TNG and Mount Peake at the forefront of renewable energy use in the resource sector," Mr Burton added.

"As a future supplier of metals which are increasingly used by the 'green energy' sector, it is totally appropriate that we should be investing in a renewable energy solution for Mount Peake, and partnering with some of the world's top practitioners in this area," he continued.

Battery system (photo courtesy of Energy Made Clean) ***Thevenard HMI (courtesy of Energy Made Clean)***

"We look forward to progressing our discussions with EMC as part of the final stages of the Feasibility Study, which will ultimately allow us to enter into a binding agreement as we move into the financing and execution phase for this exciting project," Mr Burton said.

Paul E Burton
Managing Director

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Forward-Looking Statements

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