



29 July 2019

RIGHTS ISSUE CLOSURE AND SHORTFALL NOTIFICATION

Australian strategic metals company TNG Limited (ASX: TNG) ("TNG" or the "Company") is pleased to advise that its fully underwritten non-renounceable rights issue ("Rights Issue") announced on 11 June 2019 closed on 24 July 2019.

The Company received applications under the Rights Issue for a total of 24,010,897 new shares for a total of \$2,233,013 (at \$0.093 per share), including applications for additional new shares exceeding entitlements. This represents a take-up rate of approximately 45%, a pleasing result for the Company.

The Rights Issue was fully underwritten by Deutsche Balaton Aktiengesellschaft. Pursuant to the underwriting agreement, Deutsche Balaton has applied for and will be issued the balance of 29,539,900 shortfall shares at an issue price of \$0.093 per share for an amount totalling \$2,747,210.

A total of 53,550,797 new shares will be issued under the Rights Issue, raising a total of \$4,980,224. Following completion of the Rights Issue, Deutsche Balaton and its associates will hold voting power in the Company of 12.3%.

The new shares under the Rights Issue are intended to be issued on 31 July 2019.

The Company had a cash position of \$20.1 million at 30 June 2019, prior to the completion of the Rights Issue.

Management Comment

Commenting on the outcome of the Rights Issue, TNG's Managing Director and CEO, Mr Paul Burton, said:

"This is an excellent result which reflects the strong and continued support of our loyal shareholder base for the Company's funding and development strategy for the world-class Mount Peake Vanadium-Titanium-Iron Project. On behalf of the Board of Directors of TNG, I would like to thank all shareholders who participated in the Rights Issue for their support. I would also like to thank Deutsche Balaton for their commitment to TNG in underwriting the Right Issue."

"The proceeds of the Rights Issue will further strengthen the Company's balance sheet following the recent institutional placement to German-based institutions DELPHI Unternehmensberatung AG and Sparta AG, respectively the parent company and a subsidiary of Deutsche Balaton. This puts us in a very strong position as we progress pre-development activities for Mount Peake, including front-end engineering and design, and final permitting, ahead of a potential Final Investment Decision for the project."

Paul E Burton

Managing Director and CEO

29 July 2019

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About TNG

TNG is 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 metals products for global markets including vanadium pentoxide, titanium dioxide 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.

Vanadium is a highly strategic metal which is used as an alloy in steel. It is also in strong demand for use in energy storage, with vanadium redox batteries used to store electricity generated by solar and wind power, and lithium-vanadium ion batteries used to power hybrid cars.

About Deutsche Balaton

Deutsche Balaton is a German investment company located in Heidelberg. The shares of Deutsche Balaton have been listed at the German Stock Exchange for more than 20 years. Deutsche Balaton has a very stable shareholder structure with one majority shareholder. The company manages its own funds, which are around 250 million EUR of equity (IFRS) and around 500 million EUR of total assets under management. Deutsche Balaton has a very broad investment spectrum ranging from investments in stock listed companies as well as private equity and seed investments to real estate. Within the last two years the group has expanded its investment focus to the Australian resource sector. The major shareholder of Deutsche Balaton is Wilhelm K. T. Zours.

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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