



METALLURGICAL TESTWORK PRODUCES SMELTER ACCEPTABLE CONCENTRATES FROM SANDY CREEK ORE

27th November 2008

HIGHLIGHTS

- Metallurgical testwork confirms concentrates acceptable to smelters can be produced from the Sandy Creek Zinc/Lead/Silver deposit.
- Concentrate grades of 62% Lead, 50% Zinc were achieved with recoveries of 70% for lead, 89% for Zinc with potential to increase recoveries.
- High grades of Barite in the ore (up to 20%) add secondary potential for production of Barium concentrates.

The Directors of TNG (ASX: TNG – “TNG”) are pleased to announce that the first complete metallurgical testwork on the Sandy Creek Deposit (16mt@ 2.3% Zn+Pb, 5 g/t Ag, plus 1.9 mt @ 5.0% Pb + Zn and 14.1g/t Ag), has been completed and the final report received with favourable results.

The detailed testwork has been carried out during the year on selected drill core from the Sandy Creek deposit, located on the TNG’s 100% owned Manbarrum Project (Figure 1). The testwork programme was conducted at Ammtec Limited.

The report favourably concludes that standard metallurgical processing of the Zn/Pb/Ag mineralisation results in the production of lead and zinc concentrates acceptable to smelters.

Flotation testwork was performed on representative samples from two mineralised zones; the high grade lead and zinc zone (Upper Composite), and the lower grade zinc zone (lower composite) within the strata-bound mineralisation of the Sandy Creek ore body. Head assays and optimum results are shown in the tables 1 and 2 below with complete test results summarised in table 3.

Sample Description	Zn (%)	Pb (%)	Fe (%)	S (%)	S ² - (%)	Ba (%)	Ag (ppm)	As (ppm)	Cd (ppm)	Cu (ppm)
Upper Comp	4.44	1.15	4.24	7.32	6.64	2.21	11	109	165	16
Lower Comp	1.31	0.12	5.96	11.2	7.26	13.8	3	393	24	<5

Table 1 – Head Assays Results.

Sample Description	Circuit	Concentrate	Grade Pb (%)	Recovery Pb (%)	Grade Zn (%)	Recovery Zn (%)
Upper Comp	NaCN / ZnSO ₄	Pb Cln Con 1,2&3	52.2	73.0		
		Pb Cln Con 1,2&3	62.4	69.6		
		Zn Ro1CC1,2 + Ro2CC1, part of 2			50.0	89.0++
Lower Comp	NaCN / ZnSO ₄ A5100 Collector	Zn Ro1&2 Cln Con	<i>NCP</i>	<i>NCP</i>	50.0++	48.5
		Zn Ro 1,2&3 Cln Con + Zn Cl Tail	<i>NCP</i>	<i>NCP</i>	39.0	67.8

Table 2 – Optimum Concentrate Results, (Nb: *NCP* = No Pb composite produced).

Close to optimum floatation conditions were achieved and the potential to increase the grade above 50% and recovery above 89% was projected.

This positive result further confirms the Manbarrum area as an emerging base-metal district with economic potential.

In addition high grades of Barium particularly in the lower composite zone reach grades up 20% Barite (13.8% Barium). The production of a Barite concentrate will now be included in any further feasibility work as a secondary objective.

It is also notable that the head grades from the representative samples used in this testwork, are higher than the original assay grades. This may confirm previous findings that some assay results may have been underreported, possibly caused by dilution as a result of the drilling conditions encountered. This will be further explored in future evaluation.

Metallurgical testwork is progressing on oxide material from the Djibitgun deposit and will be reported when completed.

Yours faithfully
TNG LTD



Paul Burton
Exploration Director

The information in this report that relates to metallurgical testwork is based on information supplied by Ammtec Limited. The information relating to Exploration Results, Mineral Resources or Ore Reserves, was compiled by Paul Burton who is a Member of The Australasian Institute of Mining and Metallurgy. Paul Burton is a Director of TNG Limited. Paul Burton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Burton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Test	Sample	Testwork Conditions	Grade Pb (%)	Recovery Pb (%)	Grade Zn (%)	Recovery Zn (%)
1	Upper Comp	MBS	14.9	78.5	23.8	38.7
2	Upper Comp	NaCN/ZnSO4	36.2	93.8	53.8	90.6
5	Upper Comp	With cleaner circuit	37.1	94.9	50.1	82.0
7	Upper Comp	As Test 5, with guar	31.3	90.1	49.4	90.1
8	Upper Comp	As Test 7, with W22	35.4	91.9	55.4	87.9
10	Upper Comp	Na2SiO3	29.5	93.8	NA	NA
12	Upper Comp	Regrind of con	47.0	74.2	NA	NA
15	Upper Comp	As Test 8, 4kg sample	62.4	69.5	50.0	89.0++
3	Lower Comp	MBS	6.0	47.2	12.5	78.9
4	Lower Comp	NaCN/ZnSO4	8.6	81.5	36.6	77.0
6	Lower Comp	With cleaner circuit	7.4	74.4	28.1	79.8
9	Lower Comp	Lower collection addition	NA	NA	36.8	60.4
11	Lower Comp	NA2SiO3	NA	NA	27.1	67.4
13	Lower Comp	Regrind of con	NA	NA	13.9	77.2
14	Lower Comp	As Test 6, coarser grind	7.9	20.5	30.3	43.2
16	Lower Comp	As Test 9, with A5100	NA	NA	35.1	76.3
17	Lower Comp	As Test 16, 4kg sample	NA	NA	50.0	48.5
18	Lower Comp	As Test 16, regrind	NA	NA	43.4	66.4

++ Projected from graph

Table 3 – Summarized Results: Tests 1 to 18 (Arranged by Composite)

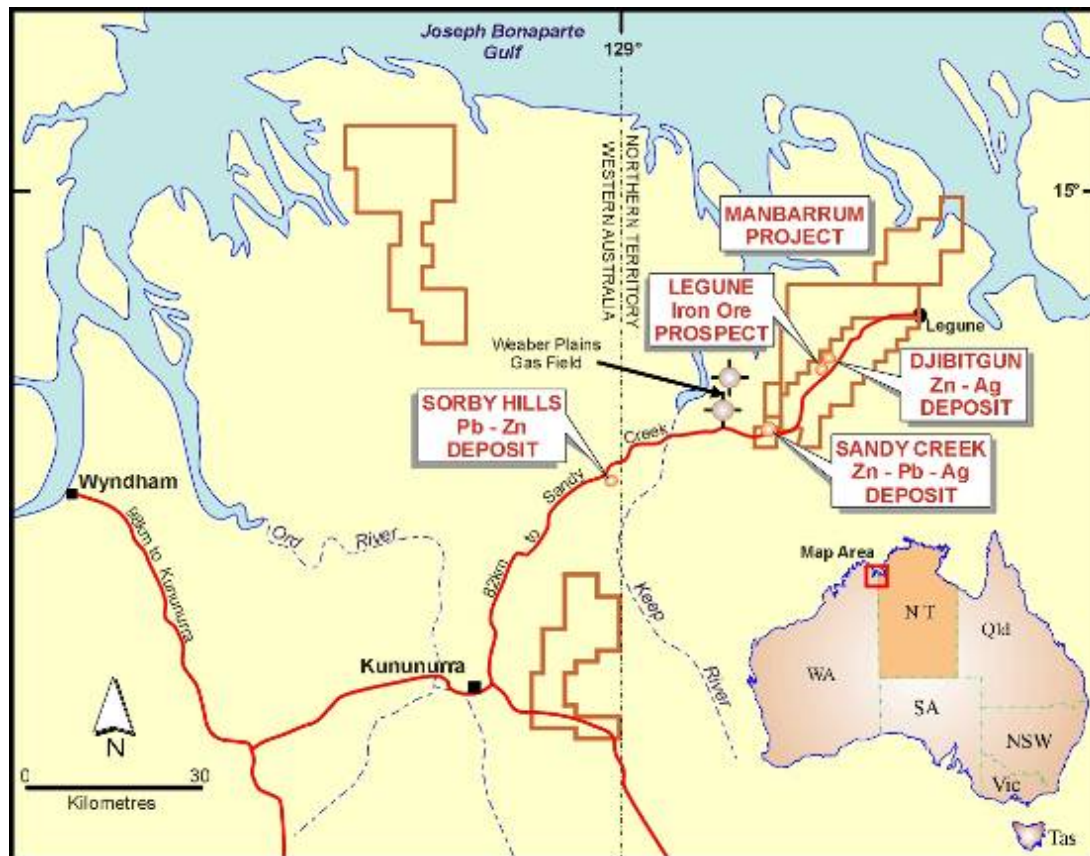


Figure 1: Location Map