TNG LIMITED

TNG SECURES GOVERNMENT FUNDING TO TARGET NICKEL-COPPER POTENTIAL AT MOUNT PEAKE

HIGHLIGHTS

- **$75,000 awarded for diamond drilling**
- **Drilling scheduled to commence in August targeting nickel / copper/ PGM's**
- **Nickel potential of the Arunta Province highlighted by other recent discoveries.**

TNG Limited (ASX: TNG) is pleased to advise that it has secured $75,000 in funding from the Northern Territory Government for diamond drilling at its 100%-owned **Mount Peake Project** (see Figure 1) as part of the Government's $2.4 million collaborative funding program.

The funds will be used for deep drilling to target the nickel-copper potential of the large mafic system at Mount Peake where TNG has recently delineated a substantial Vanadium resource.

Under the collaborative funding program, the Northern Territory Government has committed $2.4 million over three years to increase the intensity of exploration drilling and geophysics in greenfields areas of the Northern Territory. This program co-funds selected exploration drilling and geophysical projects in greenfields areas where there is a paucity of geological information.

The Mount Peake project area covers a highly prospective, but poorly explored area of the Western Arunta geological province. Recent work by TNG has discovered a significant Vanadium Resource in a magnetite-rich gabbro. Petrological work on the gabbro has indicated that it may represent the top part of a large layered mafic system which could also host nickel and copper sulphides together with Platinum Group Metals (PGM's) similar to the Bushveld, Munni Munni, and Stillwater intrusions. Under the award programme TNG will expend an additional $120,000 to complete the drilling programme.

3-D modelling of the geophysical data has suggested a ring or circular structure to the magnetic body beneath the magnetite-rich horizon (see Figure 3,4). This together with the recognition of primitive layering in the gabbro along with disseminated blebs of pentlandite, chalcopyrite, and bornite has provided encouragement for TNG to propose two deep diamond drill holes under the Government's funding programme.

The two diamond drill holes will be approximately 500 metres deep and will be targeted to provide a geological cross section and prove the existence of a large layered mafic intrusion and potential sulphide mineralisation (Figure 5,6).

If the layered mafic complex exists then further exploration will be undertaken to search for nickel, copper and PGM's within the system.

Commenting on the award, TNG's Exploration Director and incoming Managing Director, Paul Burton, said: "This is a significant result for TNG and a vindication of both the exploration project area and TNG's exploration approach.

"The Aruntas have long been considered highly prospective and we are gradually developing a much better understanding of the geological complexity of the province. Recent discoveries of nickel sulphides by Mithril Resources in the SW Aruntas have demonstrated that the province is a good target area for nickel and associated minerals. If a layered mafic intrusion is proved, it will open the area up for significant exploration for PGM's in the area."

Drilling is anticipated to commence in August 2009.

Yours faithfully
TNG LIMITED

Paul Burton
Exploration Director
June 11th 2009

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Paul Burton who is a Member of The Australasian Institute of Mining and Metallurgy and a Director of TNG Limited. Paul Burton has sufficient experience 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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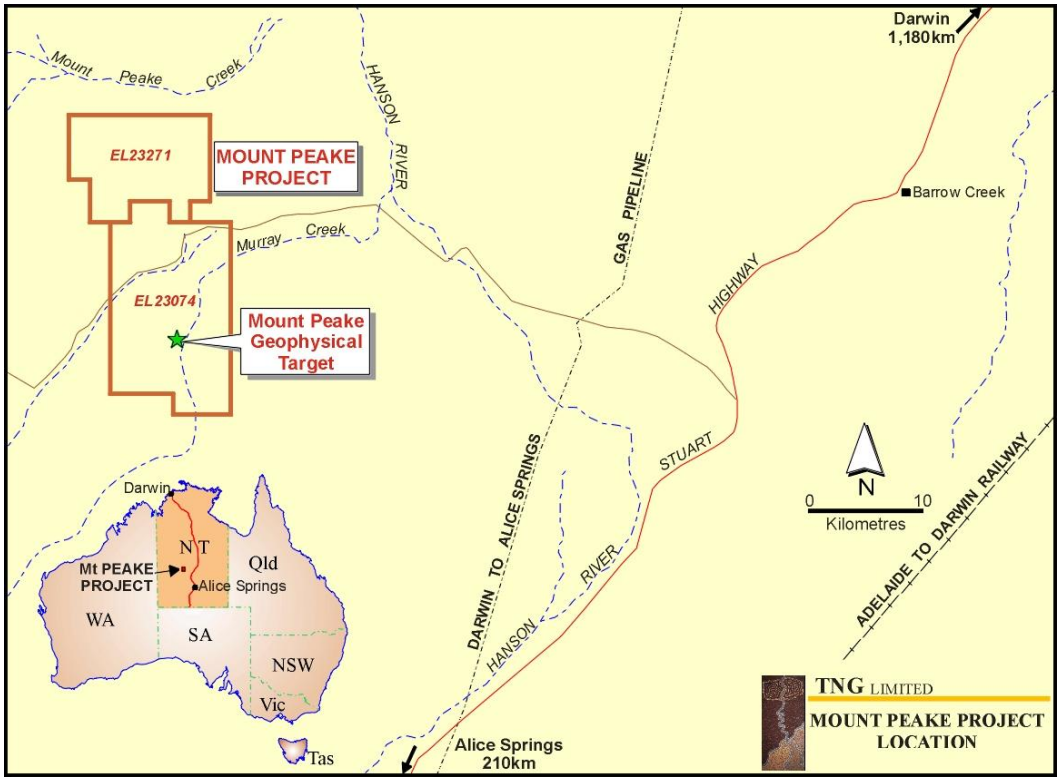

Figure 1: Mount Peake location map

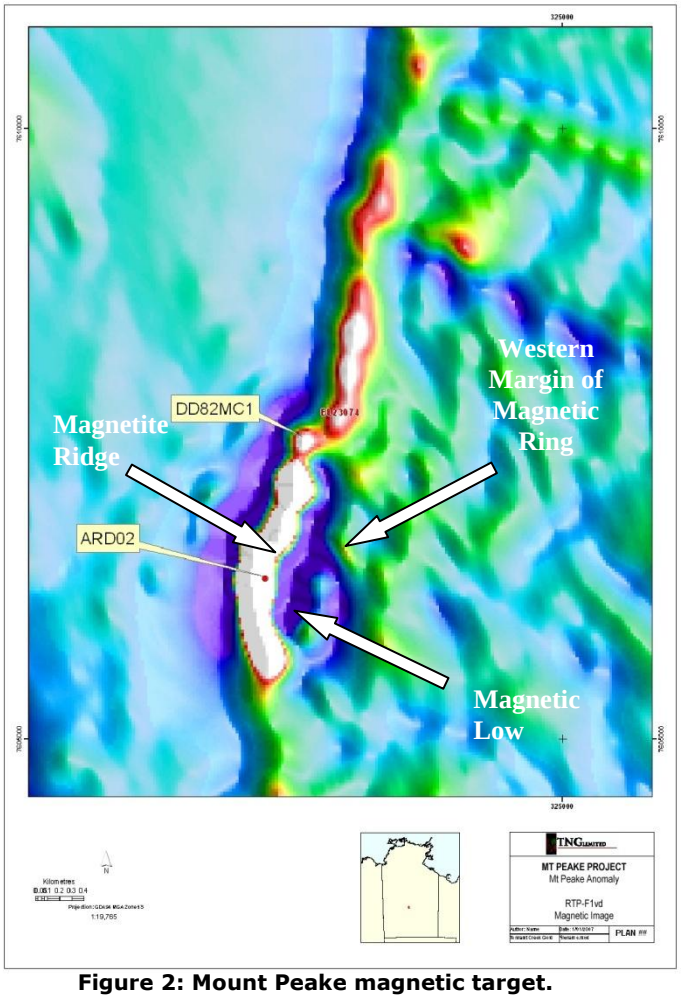

Figure 2: Mount Peake magnetic target.

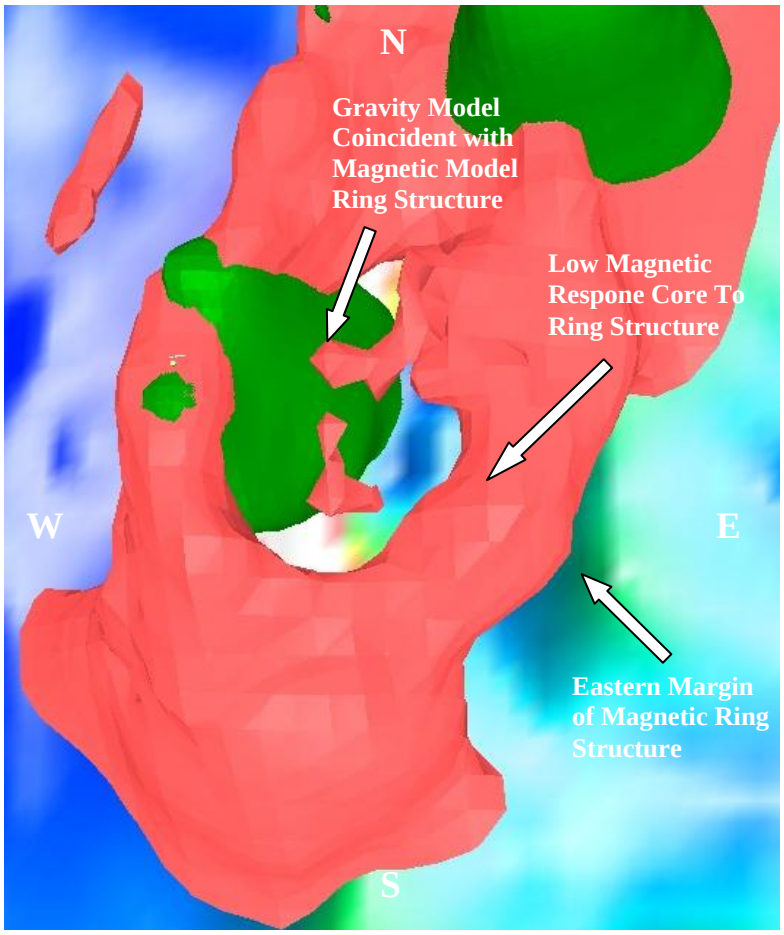

Figure 3: Plan View of 3D model highlighting dense body coincident with magnetic trend

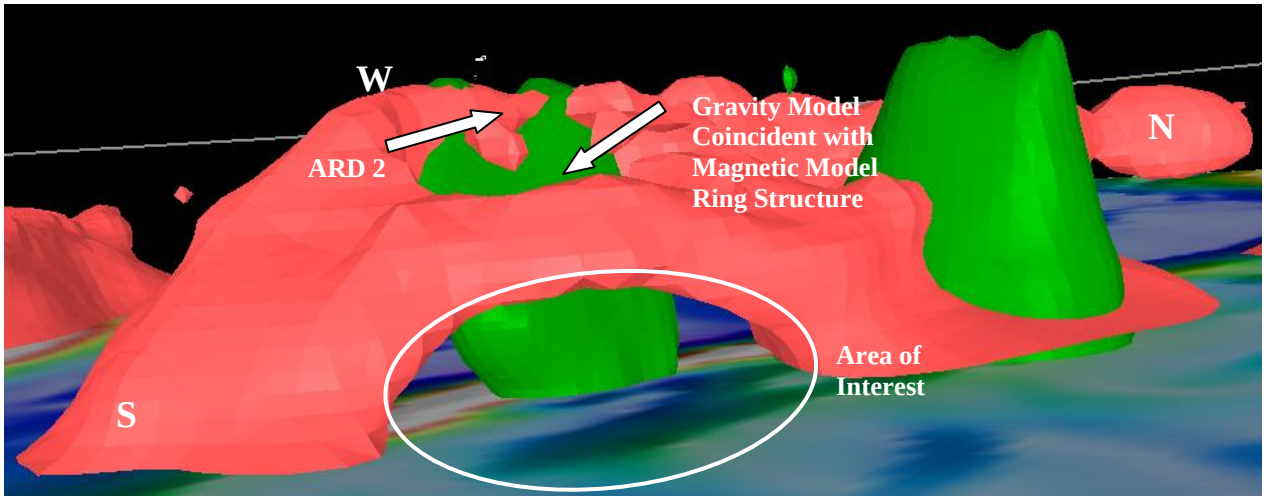

Figure 4: West looking view of 3D model highlighting the dense body coincident with magnetic trend (with drill hole ARD02) and area of interest.

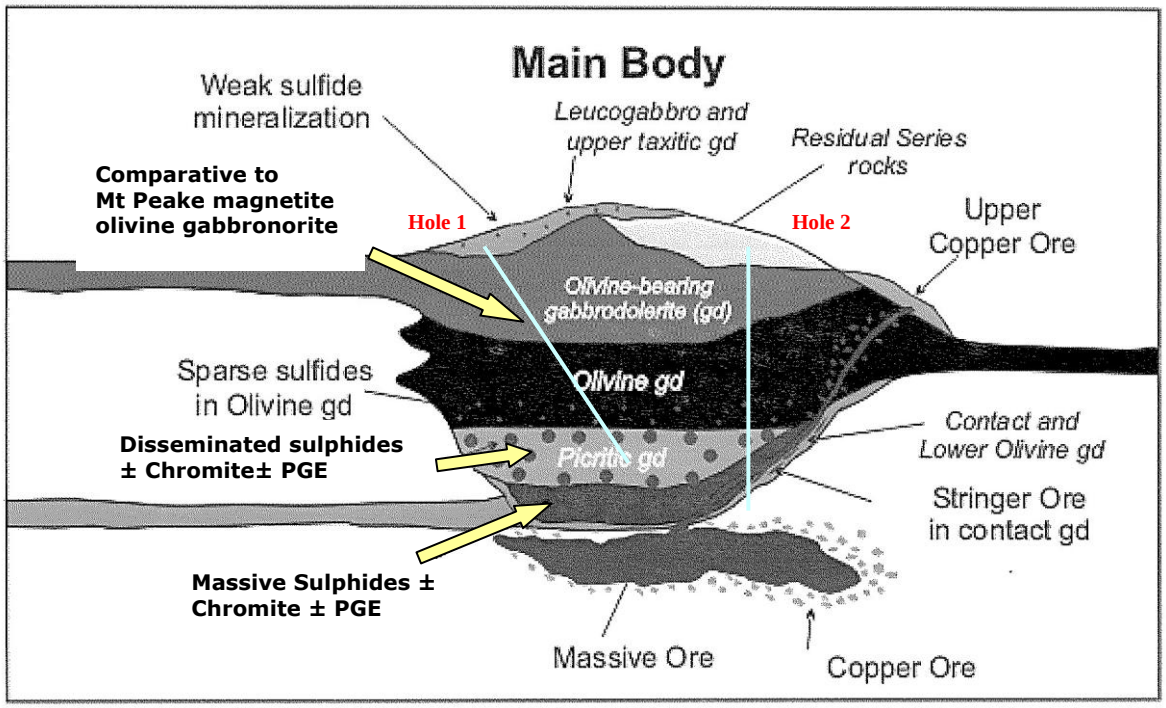

Figure 5: Section of layered mafic intrusion model with planned drillholes

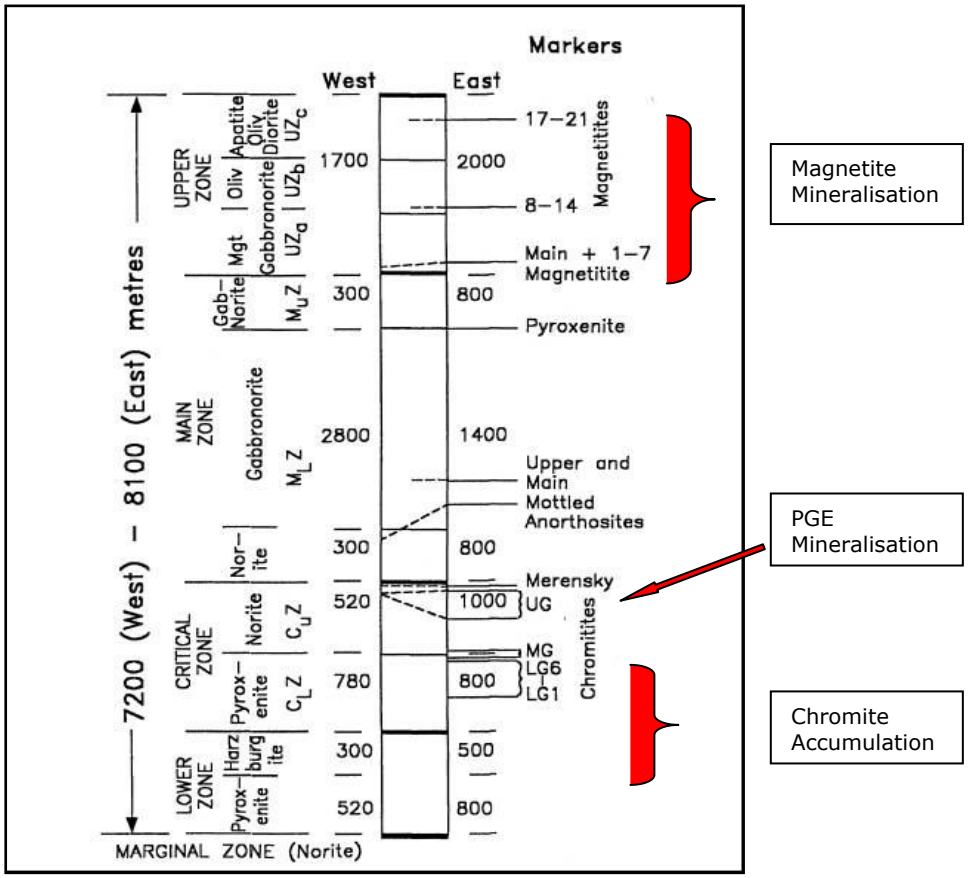

Figure 6: Stratigraphy of the Bushveld Complex showing the location of rock types and mineralised horizons (Cawthorn, 1999)