

TVN Corporation Limited
ABN 95 066 139 991

Suite 7, 245 Churchill Ave
SUBIACO WA 6008
PO Box 1273 SUBIACO WA 6904

Ph: (08) 6143 9108
Fax: (08) 9388 3006
www.tvncorporation.com.au

27 October 2011

September Quarterly Activities Statement

- **Transaction Complete – acquisition of 100% of the Nuurst Project**
- **3,800 m of drilling completed**
- **Revised Exploration Target of 200 to 300 million tonnes**
- **Project Search Continues**
- **CFO appointed in Australia & Chief Geologist Mongolia**

The Directors of TVN (ASX code TVN) are pleased to present you with an outline of the activities conducted over the September Quarter.

Nuurst Transaction Complete

Following successful due diligence, TVN has now completed the acquisition of 100% of the Nuurst Project in Mongolia for a sum of USD 1.5 million dollars. This is TVN's first acquisition in Mongolia. The Nuurst licence (8159X) has been registered in the name of TVN's newly incorporated Mongolian subsidiary, Modun Resources LLC.

Drilling

On signing the option to acquire the project on 24 June 2011, TVN embarked on an initial due diligence drilling programme. Following the success of the initial holes, TVN proceeded to a resource definition drilling programme with the intention of defining a JORC reportable Mineral Resource by the end of calendar 2011. The potential for the area appears significantly larger than was initially anticipated and as a result of this, the resource definition programme has been further expanded. TVN currently has four diamond drill rigs active on the Nuurst Coal Project, with the intention of completing the drilling for our maiden JORC reportable Mineral Resource in December 2011.



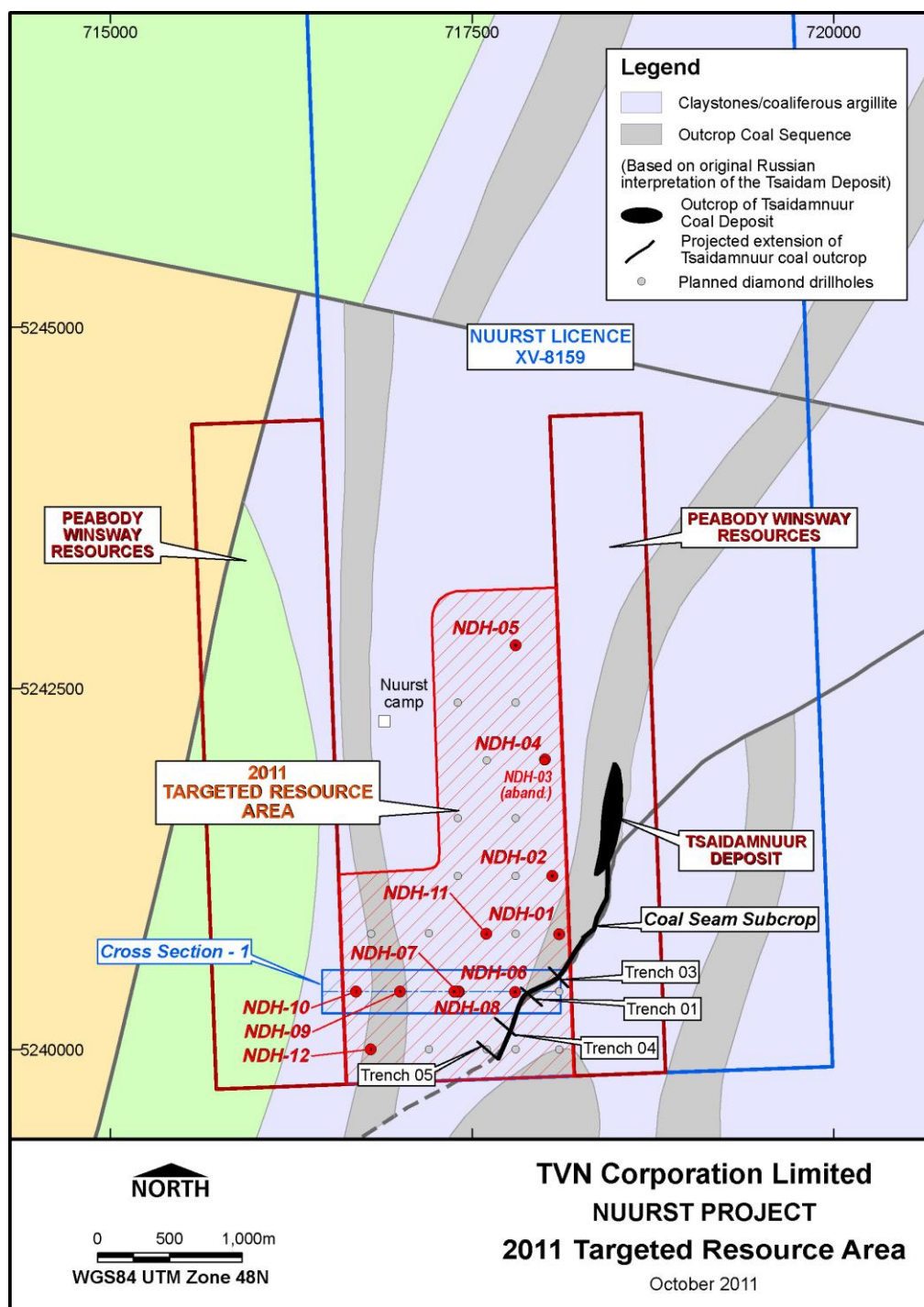
Figure 1: Nuurst Project Exploration Camp October 2011 (Nuurst Project area in background)

Exploration Target Revised

Following multiple significant intersections of coal sequence, TVN revised the exploration target for the south western portion of the licence area only, to:

200 to 300 million tonnes of thermal coal¹

This revised exploration target covers an area which is less than 15% of the overall licence area. It is anticipated that coal seam development extends well beyond the defined Targeted Resource Area, however, due to weather constraints, only the defined Target Resource Area will be drilled this season. In Figure 2 below, the purple and grey rock units identify the potentially coal bearing sediments on the Nuurst Coal Project licence area.



¹ The tonnage and quality expressed above is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Figure 2: Recent Drilling Activity and Targeted Resource Area.

As can be seen in Figure 3 below, the coal sequence is gently dipping to the west across the licence area. Trenching on the eastern side of this part of the licence area has identified sub-cropping coal directly adjacent to a known fault zone.

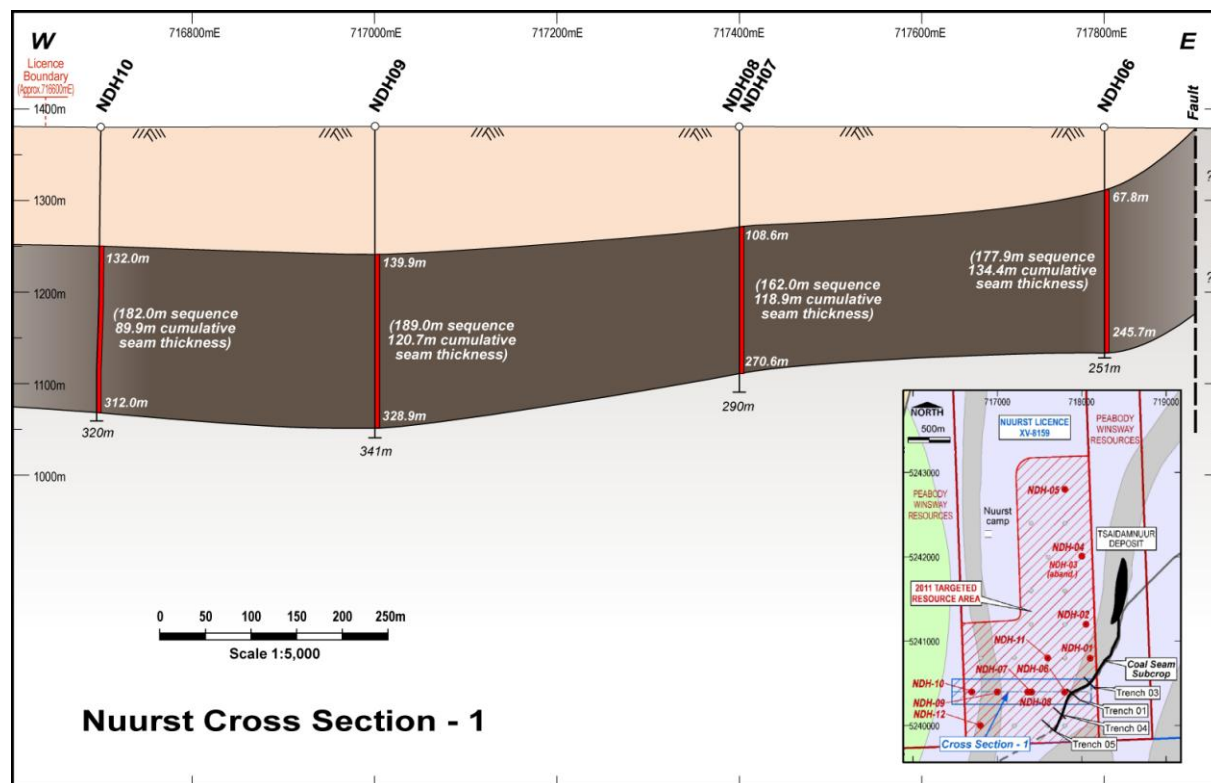


Figure 3: East-West Cross section through the Nuurst Coal Project coal seam development.

Trenching activities in the area of the fault in the south eastern portion of the Targeted Resource Area have now extended the sub-cropping coal sequence for over 700 m of strike length, extending south westerly from Peabody Winsway Resources' Tsaidam Deposit which contains a NI 43-101 Reportable Mineral Resource of 149.7 M tonnes.

Coal seam development has now been defined to the full width of the licence in this area (1.5 km) and for a length of at least 3 km from the southern boundary to the north, which remains open.

Coal Quality

Assay results to date (below in Table 1) indicate that the Nuurst Coal Project is a thermal coal product that is suitable to the Chinese market, 610 km to the south by rail. Mining studies over the northern winter months will be used to define the likely economics of a mine development at Nuurst. The table also outlines how the Nuurst Coal Project specification compares to our peers exploring thermal coal in Mongolia.

Company	Project	Distance to existing Rail km	Resource t (million)	Inherent Moisture % adb	Ash % adb	Volatile Matter % adb	Fixed Carbon % adb	Total Sulphur % adb	Calorific Value Kcal/kg adb	Calorific Value Kcal/kg db	Calorific Value Kcal/kg daf	Relative Density g/cm3 ad
Hunnu	Unst Khudag	180	676	18.28	21.30	30.07	30.38	1.27	3995	4889	6612	1.41
TVN	Nuurst (primary seam)	6	?	25.42	12.97	37.92	23.69	0.92	4,117	5,538	6,678	1.45
Peabody Winsway	Union (M&I resource)	13	95	13.10	14.40	38.00		1.40	4916			1.40
Peabody Winsway	Union (Inferred)	13	55	10.80	14.20	38.00		1.20	4002			1.43
Peabody Winsway	erds project	75	807	19.25	25.32	29.70	25.73	1.29	3710			1.55
Xanadu	Galshar	65	62	8.24	9.10	40.80		0.57	5371		6476	1.37
Xanadu	Khar Tarvaga	45	327	19.25	25.32	29.70	25.73	1.29	3742			1.54

references:

Hunnu Coal ASX announcement 1 July 2011 - "JORC Resource estimate for the Unst Khudag Thermal Coal Project"

Polo Annual information form, March 29 2010

Xanadu Mines Prospectus

Table 1: Nuurst Coal Quality data – Overall average of all holes assayed to date, relative to peers in Mongolia

Key Appointments – CFO and Chief Geologist

The directors of TVN are pleased to announce the appointment of Daniel Rohr to the position of Chief Financial Officer. Daniel Rohr CA, B.Comm has 20 years management, corporate advisory, finance and accounting experience working for a number of listed and unlisted companies. He has extensive experience in managing the development of high growth and start up companies.

In Mongolia, TVN has now employed a Chief Geologist, Enkhbayar Batmunkh. Enkhbayar brings with him over 35 years of experience in the Mongolian coal sector, most recently with Peabody-Winsway Resources and will be pivotal in expanding TVN's exploration capacity into the future. Baigala Molom has commenced as our local Office Manager and is in the process of establishing our new office facilities in Ulaanbaatar.

Capital Raisings

During the quarter TVN undertook two capital fundraisings to facilitate the purchase of the Nuurst Coal Project raising a total of approximately \$5 million. These funds are being used for on-going exploration activities at the Nuurst Coal Project and were used for paying the balance of the purchase price of Nuurst (USD 1,350,000). The cash position of the company at the end of the quarter reflects the cash position pre-settlement of the Nuurst Coal Project which occurred on 3 October 2011. Current cash position (as at 27 October) is \$2.5 million.

About the Nuurst Coal Project:

The Nuurst Project is a wholly owned 3,451 Ha exploration licence located 120 kms south of Ulaanbaatar in an area with a number of operating coal mines. Nuurst is 6 km from existing rail infrastructure providing low cost access to the key coal export markets of China, South Korea and Japan.

Recent drilling has identified significant coal seam development over 3 km of strike in a northerly direction, and 1.5 km across the south western portion of the licence area. This coal seam development remains open to the North.

Pilbara Tenements, E08/2110 & E08/2111

Data review and compilation continued on these tenements during the quarter.

Other Tenement Applications

TVN currently has a single tenement application in Western Australia (E74/464) which is progressing through the approvals process.

New Project Review

TVN continues to review the potential acquisition of other coking and thermal coal projects in Mongolia. During the quarter a number of projects have been reviewed, enquiries into some of these and new projects will continue. It is the intention of TVN to build a portfolio of quality thermal and coking projects, focused in Mongolia.

Chris Mardon
Managing Director
TVN Corporation Ltd.

Competent Person Statement

The information in this announcement that related to exploration results is based on information obtained from the vendor and Cadastral archives in Mongolia and recent drilling and trenching activities on site. This information has been reviewed by Mr Geoff Richards of CSA Global Pty Ltd, Western Australia. Mr Richards is a member of the Australian Institute of Geoscientists and 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'. Mr Richards consents to the inclusion in the report of the matters based on his information in form and context in which it appears.