



NEW RESULTS EXTEND VANADIUM-IRON-TITANIUM MINERALISATION AT MOUNT PEAKE (NT)

HIGHLIGHTS

- **Mineralisation now confirmed over 2km strike with intersections up to 115m from latest Davis Tube Recovery (DTR) testwork**
- **Average DTR concentrate grade continues to exceed 1% V₂O₅**
- **Snowden Mining Industry Consultants appointed to complete revised resource estimate**
- **Metallurgical testwork progressing positively to optimise extraction of vanadium, titanium and iron**

Diversified metals group TNG Limited (ASX: TNG) is pleased to report that further highly encouraging XRF analytical and Davis Tube Recovery (DTR) results have been received from drilling at its 100%-owned **Mount Peake Project** in the Northern Territory (*Figure 1*) confirming extensions to the mineralisation.

The latest results are from test work undertaken on drill samples from the last Reverse Circulation (RC) drilling program, which was aimed at infilling and testing extensions to the existing Inferred Resource (*see drill locations in Figure 2*).

Samples were initially analysed by XRF and those samples with results in excess of 15% Fe were submitted for Davis Tube Recovery (DTR) in order to assess the magnetic separation, recovery and concentrate grades. (A 1% vanadium concentrate grade is suitable for metallurgical processing).

Significant DTR intersections include (*see full summary in Table 1 below*):

- **115 m @ 1.13% V₂O₅, 15.3% TiO₂, 54.7% Fe**
- **89 m @ 1.16% V₂O₅, 14.2% TiO₂, 54.4% Fe**
- **104 m @ 1.16% V₂O₅, 15.1% TiO₂, 54.9% Fe**
- **85 m @ 1.09% V₂O₅, 16.0% TiO₂, 52.9% Fe**

Table 1: DTR Concentrate Results Summary

Hole ID	From (m)	To (m)	Interval Thickness (m)	Head Grades			-45µm DTR Mass Recovery (%)	-45µm DTR Concentrate Grades		
				V ₂ O ₅ (%)	TiO ₂ (%)	Fe (%)		V ₂ O ₅ (%)	TiO ₂ (%)	Fe (%)
09MPRC008	26	121	95	0.31	5.4	26.6	-	-	-	-
Including	32	121	89	0.32	5.5	27.1	23.7	1.16	14.2	54.4
09MPRC009	9	124	115	0.38	6.8	28.5	30.8	1.13	15.3	54.7
09MPRC010	41	148	107	0.35	6.2	25.7	-	-	-	-
Including	44	148	104	0.35	6.2	25.9	28.1	1.16	15.1	54.3
09MPRC011	77	115	38	0.21	4.0	22.3	-	-	-	-
Including	77	90	13	0.23	4.3	23.8	17.7	1.19	12.3	55.7
Including	96	100	4	0.23	4.3	23.6	17.7	1.21	12.4	55.1
Including	112	115	3	0.23	4.2	22.8	18.7	1.12	11.5	51.9
09MPRC012	45	93	48	0.35	6.3	27.0	-	-	-	-
Including	47	93	46	0.35	6.4	27.4	27.7	1.19	14.9	54.9
09MPRC012	102	106	4	0.22	4.0	23.7	17.0	1.16	12.4	55.3
09MPRC013	24	124	100	0.45	8.4	32.1	-	-	-	-
Including	39	124	85	0.47	8.7	33.6	40.4	1.09	16.0	52.9
09MPRC014	25	90	65	0.30	5.3	22.5	-	-	-	-
Including	31	85	54	0.30	5.3	22.9	20.2	1.16	15.2	51.9
09MPRC018	9	49	40	0.31	5.6	20.8	-	-	-	-
Including	9	23	14	0.32	5.8	20.8	24.1	1.17	16.0	55.0
Including	27	49	22	0.31	5.5	21.1	22.4	1.26	12.3	54.8
09MPRC019	14	42	28	0.32	5.9	22.1	-	-	-	-
Including	17	24	7	0.39	7.2	25.2	29.0	1.17	17.2	53.6
Including	28	42	14	0.29	5.2	21.1	23.9	1.17	15.2	52.9
09SDDD001	30	50	20	0.23	5.4	18.2	-	-	-	-
09SDDD002	7	129	122	0.37	6.7	27.9	-	-	-	-

(Head grades are by XRF; where '-' is marked = additional results awaited)

These new drill results have established consistent mineralisation over substantial widths with mineralisation now extending over a total 2km strike length within a magnetic feature that has a strike length of 9km (figure 3). Logging has confirmed that the host rock gabbro extends to MPRC017. Assay results are awaited.

Further drilling along this feature is planned along with other magnetic targets adjacent to the Mount Peake anomaly that remain untested and give significant potential to extend or add to the existing mineralisation.

TNG has appointed Snowden Mining Industry Consultants to commence an updated resource estimate once all the new results are available.

Two Diamond holes were also drilled last year for metallurgical purposes. The metallurgical test work program is in progress to optimise the extraction of vanadium, titanium and iron. This work continues to provide encouraging results, confirming that vanadium concentrates with good recoveries can be produced using standard metallurgical processes.

Extraction of iron and titanium is also providing encouragement, indicating the potential for all three metals to be included as marketable products. The Company will report full results from this work once it is completed.

TNG LIMITED



Paul E Burton
Director & CEO
January 22nd 2010.

COMPETENT PERSON STATEMENT

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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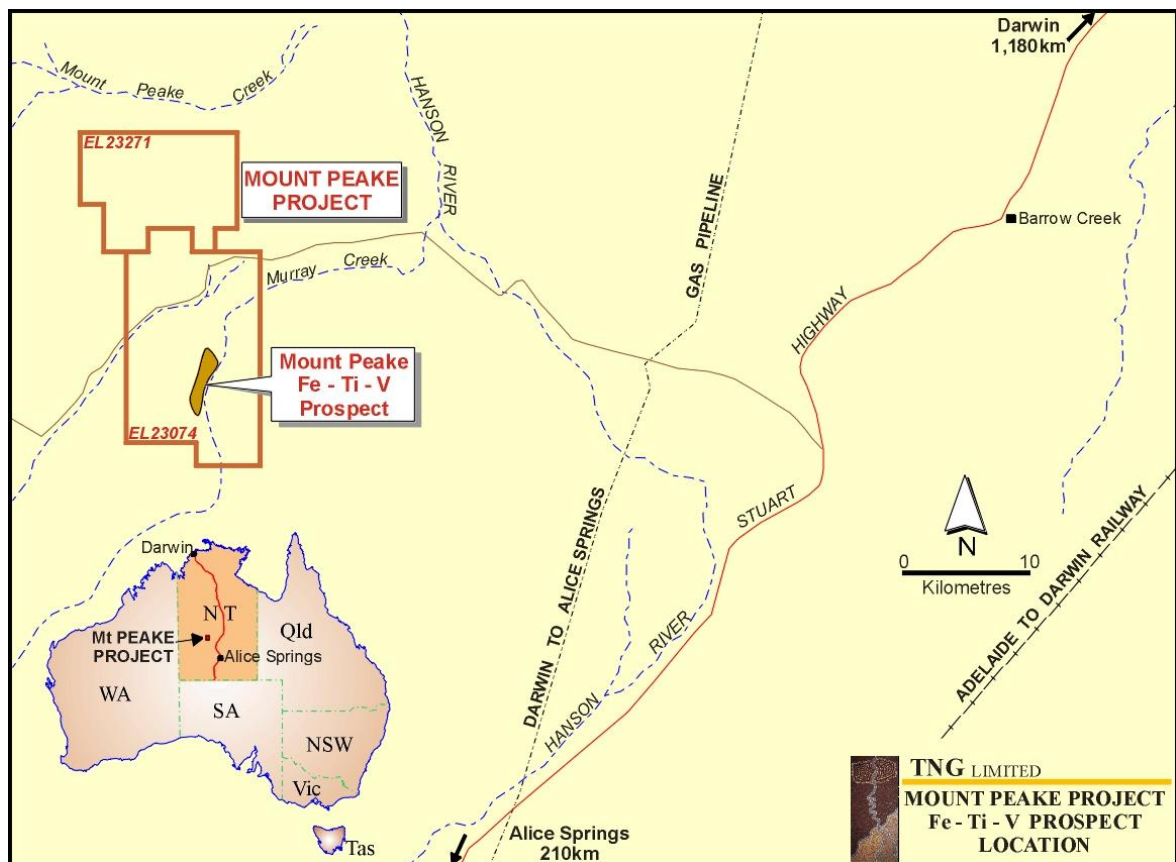


Figure 1: Project Location

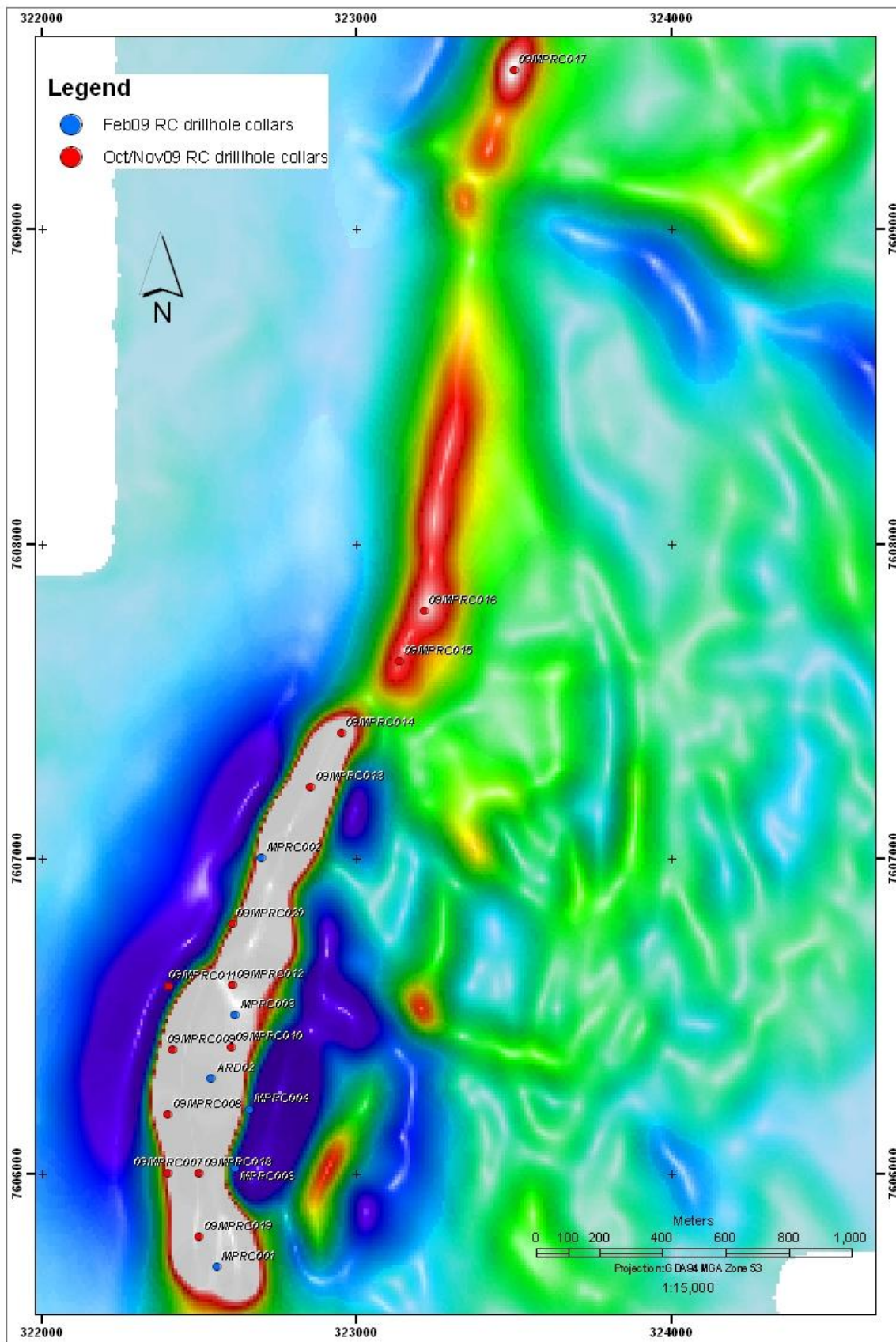


Figure 2: Drill Locations

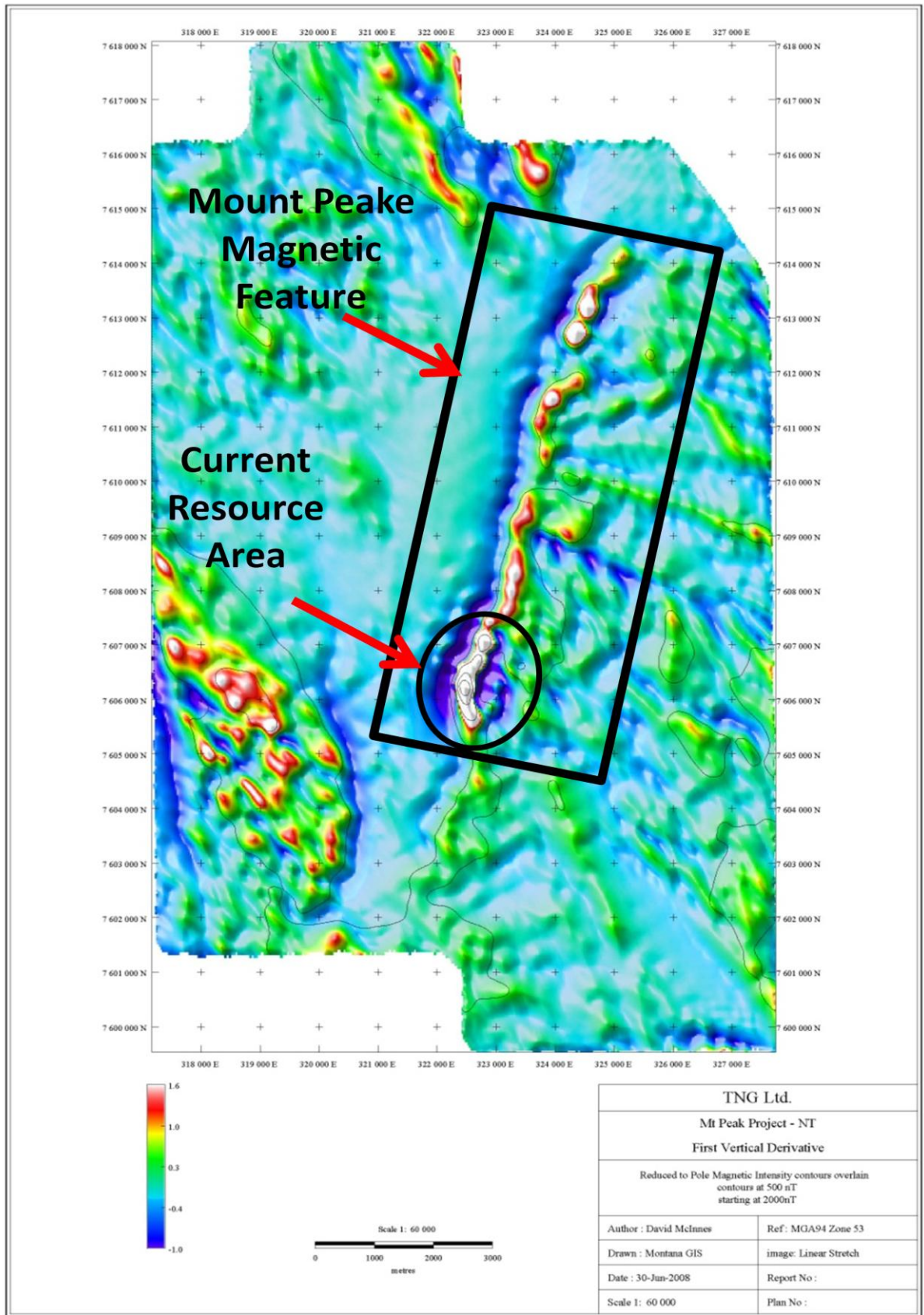


Figure 3: Regional Magnetic image, Mount Peake.