

HD TNG advances potential Mount Peake **iron** oxide off-take deal with Gunvor

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Australian vanadium-titanium explorer TNG Ltd. has signed a letter of intent with trading house Gunvor Group Ltd., paving the way for the two companies to negotiate a binding off-take agreement for TNG's Mount Peake project in Australia's Northern Territory.

Under the terms of the proposed agreement, Gunvor will have the exclusive right to distribute and market the high purity **iron** oxide produced from Mount Peake, TNG said Nov. 28.

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Gunvor will also agree not to market other similar high purity **iron** products from other sources without TNG's approval, as well as assist TNG to optimize its **iron** oxide production and maximize final sales price and profit.

TNG is in the process of completing a definitive feasibility study on the Mount Peake project, which will produce high purity vanadium pentoxide, **iron** oxide and titanium dioxide.

TNG estimates that the mine will produce about 900,000 tonnes of 99.9% purity **iron** oxide per annum over an initial 20-year mine life.

Gunvor has begun studies to identify suitable markets and pricing for the **iron** oxide product.

The two companies reached an initial memorandum of understanding regarding a potential off-take, marketing and distribution deal in June.

In mid-November, TNG inked a binding agreement with **Chinese** supplier Sinometal (Shanghai) Co. Ltd. for the **sale** of Mount Peake's magnetite concentrate.

The agreement includes the supply of 500,000 tonnes to 1 **million** tonnes per annum of magnetite concentrate that TNG plans to produce during the first phase of **operations**.

CO srscor : TNG Limited

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