

HD TNG signs magnetite off-take, marketing, financing deal for Mount Peake project with Sinometal

BY Keith Mariano

WC 239 words

PD 19 November 2014

SN SNL Metals & Mining Daily: East Edition

SC SNLMMDE

VOL Issue: 83054

LA English

CY Copyright 2014. SNL Financial LC

LP

TNG Ltd. has signed a binding agreement with **Chinese** supplier Sinometal (Shanghai) Co. Ltd. for the **sale** of magnetite concentrate produced from its wholly owned Mount Peake vanadium-titanium-**iron** project in the Northern Territory, Australia.

The agreement entails the off-take of 500,000 tonnes per annum to 1 **million** tpa of magnetite concentrate that TNG plans to produce during the first phase of **operations** at Mount Peake, according to a Nov. 17 news release.

TD

The agreement also encompasses the marketing and **sale** of magnetite concentrate from the project to **Chinese** customers like Chengde **iron** and Steel Group as well as a maximum preproduction financing of A\$5 **million** for subsequent shipments.

Proceeds from the early magnetite concentrate sales will generate TNG an early revenue stream for the planned two-phase development of Mount Peake. A definitive feasibility study on the project is currently underway.

"While there has been a short-term slowdown in the steel market in **China**, the fundamentals of the steel industry overall in that country remain extremely strong and the long-term demand outlook remains **firm**," TNG Managing Director Paul Burton said.

The **company** earlier signed similar agreements with global commodity trader Gunvor Group, Korea-based ferrovanadium producer Woojin Ind. Co. Ltd. and Australian chemical products distributor Global Pacific Partners for its **iron**, vanadium and titanium products, respectively.

CO srscor : TNG Limited

IN imet : Mining/Quarrying | ibasicm : Basic Materials/Resources | i211 : Metal Ore Mining

NS c33 : Contracts/Orders | mirono : Iron Ore Markets | c333 : Non-governmental Contracts | ccat : Corporate/Industrial News | m14 : Commodity Markets | m142 : Metals Markets | mcat : Commodity/Financial Market News | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE china : China | nterry : Northern Territory | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | austr : Australia | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

IPD Contracts and Proposals

PUB SNL Financial LC

AN Document SNLMMDE020141124eabj0000w