



11 March 2010

TANAMI GOLD REPORTS HIGH-GRADE RESULTS FROM SANDPIPER

DRILLING STRENGTHENS RESOURCE POTENTIAL BENEATH SANDPIPER OPEN PIT

HIGHLIGHTS:

- **Significant intersection of 15.1m @ 6.1g/t Au 180m below the current open pit at the Sandpiper deposit, 35km north of Coyote Gold Mine**
 - **includes high-grade core of 8.8m @ 9.6g/t Au**
- **Mineralisation occurs 130m up-dip from previous intersection of 21m @ 3.7g/t Au**
- **Coarse gold observed in most recent hole SPDD11 at 179 metres**
- **Mineralisation identified over 400 metres down plunge and up to 200 metres dip extent and remains open along strike, down dip and down plunge**

Australian gold producer Tanami Gold NL (ASX: **TAM**) is pleased to report further encouraging assay results from surface exploration and resource drilling at its **Bald Hill Operations**, the satellite mining centre located 35km north of its Coyote Gold Operations in Western Australia.

The new results have reinforced the potential to define significant additional gold resources beneath the operating Sandpiper open pit.

Sandpiper

As announced in the Company's December 2009 Quarterly Report, diamond core hole SPDD2 at Sandpiper intersected a 22 metre down-hole zone of stock work quartz veining and quartz lode hosted within a folded mafic volcanic and sedimentary sequence.

Independent analysis of core samples from this interval has returned a significant result of **15.1 metres grading 6.1g/t from 202 metres** with a true width of 11 metres. [see Table 1]. This mineralisation occurs **130 metres up-dip** of a previously announced 21 metre interval grading 3.7g/t in diamond hole BLRCD1 [see Figure 1].

Both intervals contain a high grade core – **8.8 metres grading 9.6g/t** in SPDD2 and **5.6 metres grading 8.6g/t** in BLRCD1. Mineralisation associated with this latest intersection includes disseminated arsenopyrite, pyrite, sphalerite and galena together with a significant interval of **silver grading 33.5g/t** from 209.4 to 210.1 metres. Figure 2 shows an intensely sericite altered, quartz veined and sulphide rich core sample from SPDD2 from an interval grading 9.6g/t gold.

A further nine diamond holes have been completed at Sandpiper to test the extent of the mineralised system. Of these holes, which are shown in long section in Figure 1, six contain intervals exhibiting similar mineralogy and occurring in a consistent position within the sequence to the interval in SPDD2, suggesting that the mineralised zone is continuous.

Down hole lengths of the quartz-arsenopyrite rich intervals include:

- 11.8m from 258.4m in SPDD5
- 4.0m from 230.0m in SPDD6
- 9.0m from 316.0m in SPDD7
- 4.5m from 275.6m in SPDD9
- 5.7m from 292.4m in SPDD10

Coarse gold has also been logged within a quartz vein interval from 179 metres in current hole SPDD11 through a previously interpreted parallel zone. Assay results are pending.

As can be seen in Figure 1, the main zone is interpreted to extend for over 400 metres down plunge from the base of the open pit. The system remains open along strike, down plunge and down dip with additional holes planned pending assay results from the outstanding intervals.

Tanami Gold Managing Director Graeme Sloan said: *“We are very pleased with these results from Sandpiper, which continues to improve at depth. Given these latest intersections and the consistency of the mineralisation evident from the drilling to date – coupled with the positive reconciliation we are achieving from the open pit – I am confident that we are well down the track towards delineating a significant deposit at Sandpiper which will contribute significantly to gold production at Coyote well into the future.”*

Table 1.0 – Sandpiper diamond drill hole locations and significant intersections

Hole Number	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Hole Depth	Significant Intersections		
							Interval	Length (m)	Grade (g/t)
SPDD1	485902	7834137	375.7	-60	180	207.4	109 – 109.6m	0.6	11.8
SPDD2	485874	7834155	374.4	-64	180	249.6	202 – 217.1m	15.1	6.1
							Inc 207 – 215.8m	8.8	9.6
SPDD5	485802	7834227	375.3	-58	180	340	Assays awaited		
SPDD6	485802	7834213	375.3	-56	180	300	Assays awaited		
SPDD7	485802	7834240	375.4	-60	180	375	Assays awaited		
SPDD8	485874	7834140	374.4	-65	180	232.1	Assays awaited		
SPDD9	485874	7834158	374.4	-75	180	310.1	Assays awaited		
SPDD10	485902	7834140	375.7	-77	162.5	311.3	Assays awaited		
SPDD11	485874	7834158	374.4	-70	180		In progress		

Notes – Collar Northing, Easting and Azimuth are all in AMG Grid coordinates. Collar positions may vary slightly upon final survey location.
Analyses by 50g fire assay with AAS finish.
No cutting of grades has been applied.
Intervals reported are greater than 1g/t with maximum 2 metres internal waste

Graeme Sloan
Managing Director/CEO

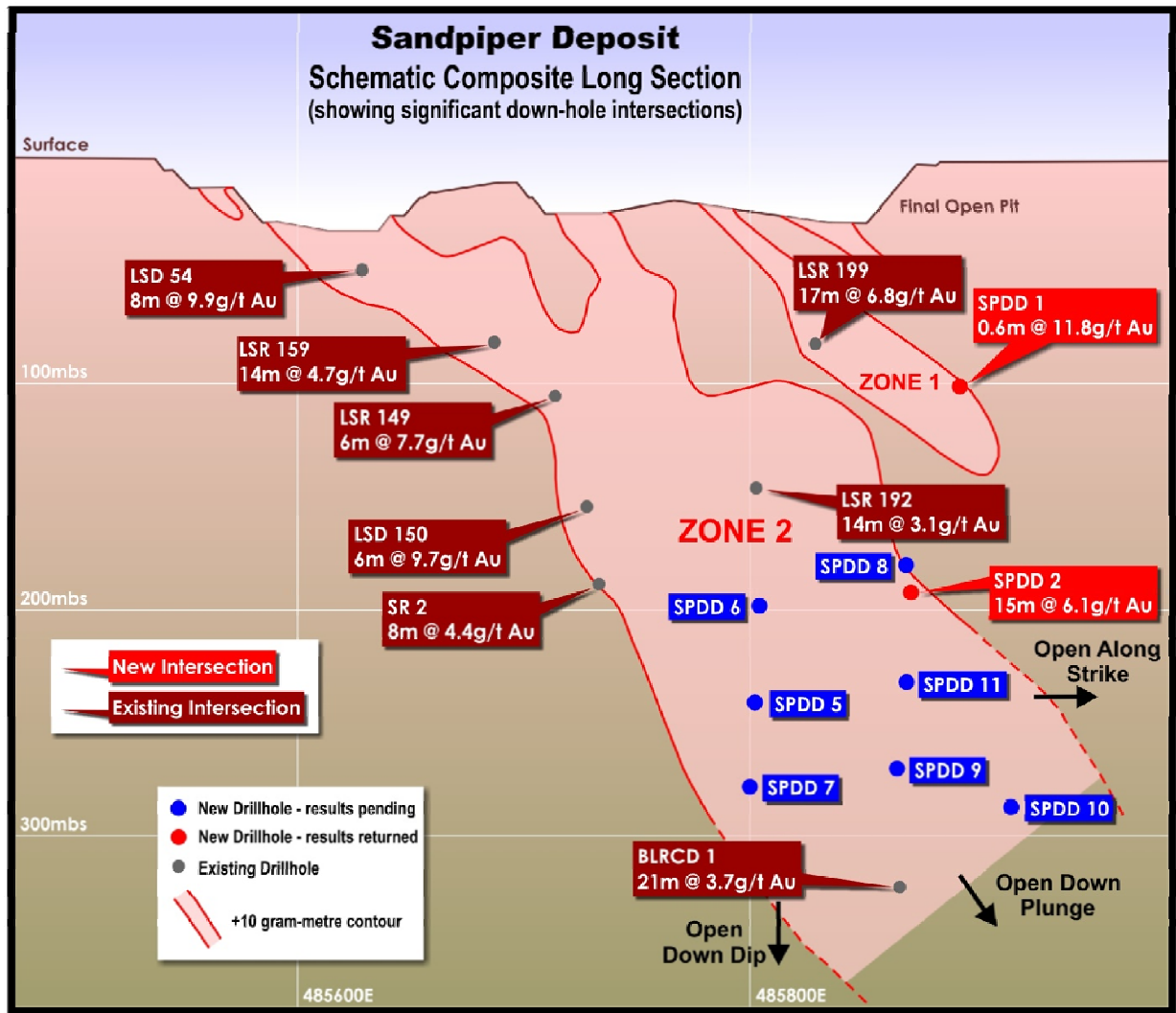


Figure 1: Sandpiper Deposit Schematic Long Section



Figure 2: SPDD2 Core Sample 207.8m - 208.2m. Interval grade 9.6g/t

Note:

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Robert Henderson, a full time employee and Geology Manager of Tanami Gold NL. Mr Henderson is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Henderson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.