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SIGNIFICANT HIGH-GRADE GOLD ANOMALIES IDENTIFIED AT NEWLY ACQUIRED CENTRAL TANAMI PROJECT

REVIEW IDENTIFIES THREE PRIORITY AREAS OUTSIDE OF EXISTING 516,000oz RESOURCE

Highlights:

- Significant anomalies with broad, high-grade intersections identified at Gallifrey, Pendragon West and Pendragon East
- Major 3km anomaly at Gallifrey includes historic intersections of:
22m @ 8.5g/t, 6m @ 15.0g/t, 14m @ 6.4g/t, 5m @ 16.6g/t, 22m @ 3.1g/t
- 800m anomaly at Pendragon West includes historic intersections of:
16m @ 16.1g/t, 14m @ 4.6g/t, 10m @ 3.5g/t, 4m @ 11.0g/t, 2m @ 10.9g/t
- All represent near surface walk-up drill targets within trucking distance of the 1.2Mtpa Central Tanami mill – *providing the opportunity to rapidly delineate additional resources*

Australian gold producer Tanami Gold NL (ASX: **TAM**) is pleased to advise that it has so far identified at least **three advanced gold prospects** containing **broad high-grade historic intersections** from a preliminary review of the exploration database acquired as part of its recent \$22 million acquisition of the Central Tanami Gold Project (Groundrush) from Newmont Mining Corporation.

The results – all of which relate to areas outside of the Central Tanami Mining Leases and the existing 516,000oz JORC Code compliant Resource included in the acquisition – reinforce the substantial exploration upside within the area and the potential to delineate **additional gold resources within trucking distance** of the 1.2Mtpa Central Tanami treatment facility.

The ongoing review of the exploration database is being undertaken in parallel with a comprehensive re-optimisation of the existing Measured, Indicated and Inferred Resource base of 5.9 million tonnes grading 2.7g/t for 516,000 oz (last calculated in 2001 at a A\$550 and A\$750 gold price). This re-optimisation is due to be completed by mid-2010 as a foundation for re-starting mining operations.

The initial prospects identified include Gallifrey, Pendragon West and Pendragon East.

Gallifrey

The Gallifrey prospect lies 4km west-southwest of the Jim's Main pit (*see Figure 1*) and just 22km from the Central Tanami plant. It consists of two discrete north-west trending anomalous zones of +1g/t drill intersections extending over a total strike length of 3km.

The mineralisation occurs within a felsic unit intruded along a shear and has been defined through historic RAB, Aircore and limited RC (Reverse Circulation) and diamond core drilling. Gallifrey appears to be a bulk tonnage medium grade prospect that requires further diamond core drilling to fully define the extent and controls of the mineralisation.

Significant historic intersections at Gallifrey include:

- 22m @ 8.5g/t from 46m in WTRB354
- 6m @ 15.0g/t from 14m in WTRB361
- 18m @ 5.3g/t from 48m in WTRB359
- 5m @ 16.6g/t from 144m in WTDH002
- 22m @ 3.1g/t from 82m in WTRB288

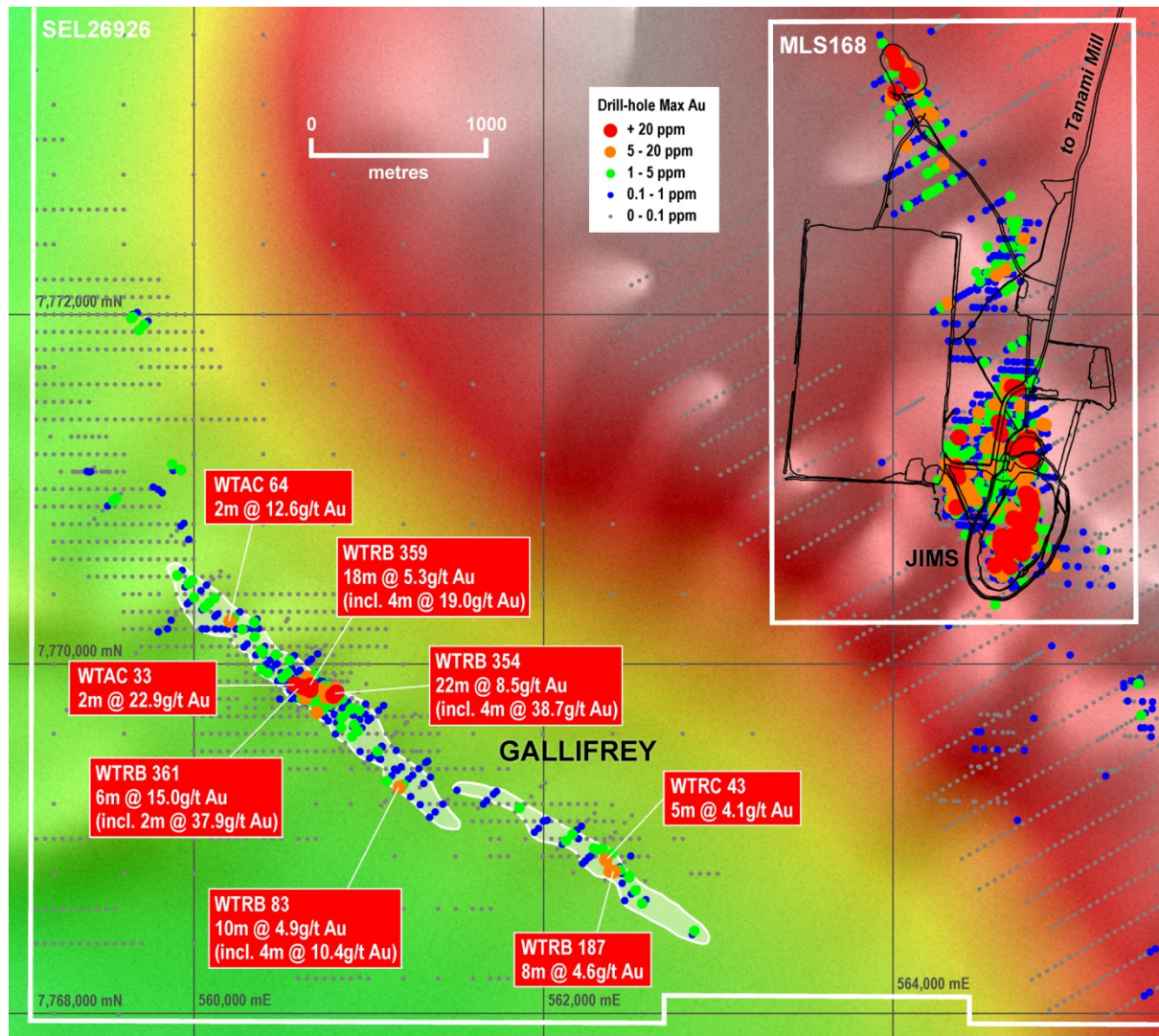


Figure 1 – Gallifrey Prospect showing selected significant intersections

Pendragon West

The Pendragon West anomaly lies 1km west of the Orion North pit (see Figure 2) and 35km west of the Central Tanami plant. Pendragon West is an 800 metre north-west trending, +1g/t gold anomaly defined by RAB, Aircore and RC drilling. It occurs within an inter-bedded basalt and sedimentary sequence along the same trend as the Bonsai deposit within the +90,000 ounce Pendragon mining centre.

Significant historic intersections at Pendragon West include:

- 16m @ 16.1g/t from 56m in PGRB639
- 14m @ 4.6g/t from 60m in PGAC059
- 10m @ 3.4g/t from 63m in PGRC218
- 10m @ 3.4g/t from 64m in PGAC075
- 4m @ 11.0g/t from 52m in PGRB272
- 2m @ 10.9g/t from 38m in PGAC049

Pendragon East

The Pendragon East anomaly occurs adjacent to a mine haul road and forms a 1.4 kilometre east-west trending RAB anomaly (see Figure 2). The anomaly also occurs along the same trend as the Bonsai deposit.

Significant historic intersections at Pendragon East include:

- 4m @ 32.8g/t from 44m and 12m @ 4.5g/t from 70m in PGRB687
- 6m @ 9.2g/t from 52m in PGRB773
- 6m @ 2.8g/t from 62m in PGRB688

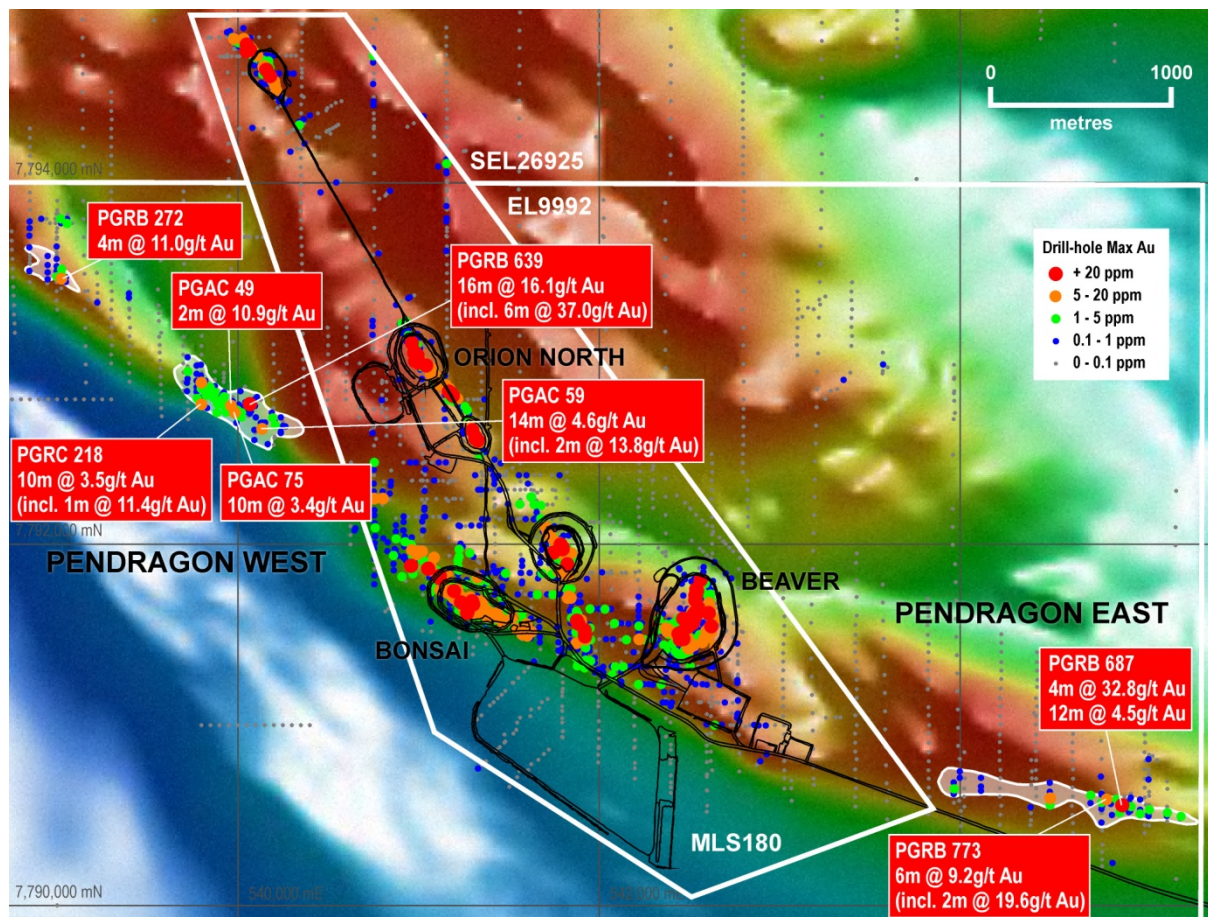


Figure 2 - Pendragon West and Pendragon East Prospects showing selected significant intersections

Conclusion

The Company continues to review the extensive regional database for the Central Tanami Project with the objective of generating priority drill targets.

Based on the results received to date, the Central Tanami acquisition will deliver a substantial pipeline of drill-ready targets, providing an opportunity to rapidly increase the gold resource inventory within an economic trucking distance of the centrally located treatment facility.

“We are very excited by the results we are seeing coming out of this review,” said Tanami Gold’s Managing Director, Graeme Sloan. *“Bearing in mind that little or no exploration activity has been carried out in this area for several years, it appears that so far we have only just scratched the surface in terms of the exploration potential of the 2,000 sq km of tenements included in the acquisition.”*

“The three priority prospects identified to date all include ore grade, near-surface intercepts which require immediate follow up,” he continued. *“We are confident of the potential to identify many more similar prospects, further strengthening our projects and potential future production pipeline in the Central Tanami region as we progress our strategy of re-commissioning the Central Tanami mill by mid-2011.”*

Graeme Sloan
Managing Director/CEO

Table 1 – Gallifrey Prospect Significant Intersections

Hole ID	Depth From	Depth To	Max Depth	Width	Au	Gram Metre	Intersection	Hole Type	Easting	Northing	RL	Dip	Azimuth
WTAC001	60	102	116	42	1.4	60	42m @ 1.4 g/t Au	AC	560682	7769909	412	-55	222
WTAC033	50	52	60	2	22.9	46	2m @ 22.9 g/t Au	AC	560601	7769900	412	-55	226
WTAC064	48	50	98	2	12.6	25	2m @ 12.6 g/t Au	AC	560229	7770263	410	-55	226
WTDH002	144	149	180.7	5	16.6	83	5m @ 16.6 g/t Au	DDH	560750	7769766	413	-60	42
WTDH007	81	83	112.4	2	16.9	34	2m @ 16.9 g/t Au	DDH	560786	7769801	413	-60	42
WTRB035	20	54	75	34	1.7	57	34m @ 1.7 g/t Au	RAB	560750	7769799	413	-52.5	86
WTRB083	46	56	73	10	4.9	49	10m @ 4.9 g/t Au	RAB	561159	7769271	419	-55	42
WTRB130	22	35	90	13	1.7	22	13m @ 1.7 g/t Au	RAB	560895	7769573	415	-55	42
WTRB187	64	72	75	8	4.6	36	8m @ 4.6 g/t Au	RAB	562381	7768783	432	-55	42
WTRB288	82	104	118	22	3.1	67	22m @ 3.1 g/t Au	RAB	560768	7769765	413	-60	42
WTRB301	42	58	123	16	1.4	22	16m @ 1.4 g/t Au	RAB	560749	7769787	413	-60	42
WTRB314	40	56	133	16	2.1	33	16m @ 2.1 g/t Au	RAB	560727	7769809	413	-60	132
WTRB318	48	50	74	2	15.5	31	2m @ 15.5 g/t Au	RAB	560742	7769843	413	-60	132
WTRB320	36	48	80	12	2.4	28	12m @ 2.4 g/t Au	RAB	560717	7769819	413	-60	132
WTRB330	36	44	110	8	3.3	27	8m @ 3.3 g/t Au	RAB	560720	7769865	413	-60	132
WTRB348	32	42	110	10	3.8	38	10m @ 3.8 g/t Au	RAB	560653	7769860	413	-60	132
	64	80	110	16	1.3	21	16m @ 1.3 g/t Au						
WTRB354	46	68	104	22	8.5	186	22m @ 8.5 g/t Au	RAB	560643	7769871	412	-60	132
WTRB357	76	82	122	6	4.5	27	6m @ 4.5 g/t Au	RAB	560606	7769835	413	-60	132
WTRB359	48	66	74	18	5.3	94	18m @ 5.3 g/t Au	RAB	560645	7769894	412	-60	132
WTRB360	76	92	92	16	2.1	35	16m @ 2.1 g/t Au	RAB	560632	7769882	412	-60	132
WTRB361	14	20	110	6	15.0	90	6m @ 15.0 g/t Au	RAB	560620	7769870	412	-60	132
	88	108	110	20	2.3	46	20m @ 2.3 g/t Au						
WTRB362	14	40	122	26	2.2	58	26m @ 2.2 g/t Au	RAB	560608	7769858	412	-60	132
	66	76	122	10	2.4	24	10m @ 2.4 g/t Au						
WTRC027	66	70	94	4	5.7	23	4m @ 5.7 g/t Au	RC	560610	7769854	413	-54.5	47
WTRC043	111	116	132	5	4.1	21	5m @ 4.1 g/t Au	RC	562314	7768830	431	-55	42

Table 2 – Pendragon West and East Significant Intersections

Prospect	Hole ID	Depth From	Depth To	Max Depth	Width	Au	Gram Metre	Intersection	Hole Type	Easting	Northing	RL	Dip	Azimuth
Pendragon West	PGAC049	38	40	96	2	10.9	22	2m @ 10.9 g/t Au	AC	539978	7792753	411	-55	45
Pendragon West	PGAC059	60	74	90	14	4.6	65	14m @ 4.6 g/t Au	AC	540163	7792612	411	-55	45
Pendragon West	PGAC075	64	74	90	10	3.4	34	10m @ 3.4 g/t Au	AC	539958	7792700	411	-55	41
Pendragon West	PGRB272	52	56	87	4	11.0	44	4m @ 11.0 g/t Au	RAB	539025	7793440	405	-55	356
Pendragon West	PGRB639	56	72	72	16	16.1	257	16m @ 16.1 g/t Au	RAB	540046	7792749	410	-55	41
Pendragon West	PGRC218	63	73	156	10	3.5	35	10m @ 3.5 g/t Au	RC	539800	7792740	405	-55	356
Pendragon East	PGRB687	44	48	82	4	32.8	131	4m @ 32.8 g/t Au	RAB	544920	7790539	414	-55	311
Pendragon East		70	82	82	12	4.5	54	12m @ 4.5 g/t Au						
Pendragon East	PGRB773	52	58	100	6	9.2	55	6m @ 9.2 g/t Au	RAB	544837	7790565	414	-55	311

Note:

The information in this report that relates to Geological Data and Exploration Results is based on information compiled and verified 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.