



4 May 2010

## TANAMI GOLD NL UNVEILS 105% INCREASE IN CENTRAL TANAMI GOLD RESOURCE TO 1.06Moz

### **DOUBLING OF GOLD RESOURCE PROVIDES ADDITIONAL CONFIDENCE IN PROPOSED RESUMPTION OF MINING OPERATIONS**

Australian gold producer Tanami Gold NL (ASX: TAM) is pleased to report a **105% increase** in the Mineral Resource for its recently acquired **Central Tanami Project** ["CTP"] in the Northern Territory to over **1 million ounces** of gold, providing additional impetus to its plans to restart production next year.

Tanami Gold has completed this key re-estimation of gold resources within the CTP within two months of acquiring the Project from Newmont Mining Corporation, applying a more relevant gold price and current mining and milling costs.

The CTP is expected to become a new production hub for Tanami Gold alongside its existing Western Tanami Operations (currently producing 50,000oz pa). The CTP includes the 1.2Mtpa Central Tanami treatment facility, extensive infrastructure and a world-class 2,100 sq km exploration package.

The new Resource estimate was completed based on mineralisation contained within the CTP Mineral Leases only and has resulted in a **105% increase in Measured, Indicated and Inferred Resources** to:

### **11.677 Million Tonnes grading 2.8g/t for 1.061 million ounces of gold**

The breakdown for this estimate is provided in Table 1 below. Over 80% of the updated Resource has been classified as Measured or Indicated. It is important to note that remnant mineralisation identified beneath the Groundrush open pit [611,000 ounces historic production from ML22934] **has not** been included in this estimate.

The distribution of Resources by tenement is shown in Figure 1.

**Table 1: Central Tanami Project Mineral Resources**

Mineral Lease	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
MLS153	578,000	2.3	43,000	744,000	2.2	53,000	441,000	3.9	56,000	1,763,000	2.7	151,000
MLS167	2,369,000	3.2	248,000	2,004,000	4.0	256,000	640,000	3.7	75,000	5,013,000	3.6	579,000
MLS168	707,000	2.3	52,000	63,000	2.1	4,000	509,000	1.9	30,000	1,279,000	2.1	87,000
MLS180	438,000	3.6	51,000	544,000	3.0	53,000	59,000	3.0	6,000	1,041,000	3.3	109,000
MLSA172	1,026,000	2.7	89,000	112,000	1.9	7,000	44,000	5.0	7,000	1,181,000	2.7	103,000
Stockpiles	1,400,000	0.7	31,000							1,400,000	0.7	31,000
<b>Total</b>	<b>6,518,000</b>	<b>2.5</b>	<b>514,000</b>	<b>3,467,000</b>	<b>3.3</b>	<b>373,000</b>	<b>1,692,000</b>	<b>3.2</b>	<b>174,000</b>	<b>11,677,000</b>	<b>2.8</b>	<b>1,061,000</b>

#### Notes to accompany Table 1.

Resource estimation completed using MineMap software comprising an ellipsoidal inverse distance grade interpolation method.

Grade estimation was constrained to material within >0.5g/t mineralisation outlines.

Gold assay top cut of 30g/t used for MLS167 and 20g/t used for the remainder, based on geostatistical parameters and historical production reconciliation. Resources reported above 0.7g/t block model grade constrained within pit shells optimised at A\$1350 per ounce gold price.

Resources reported above 2.5g/t block grade for mineralisation at the Carbine deposit, within MLS167, occurring below the southern plunge extent of the optimal pit shells.

Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.

Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t. Rounding may affect tallies.

The most recent historical estimate of Mineral Resources within the CTP was conducted by Otter Gold Mines NL in 2001. Otter estimated a total of 5.861 million tonnes grading 2.7g/t containing 516,000 ounces using a A\$525-750/oz gold price.

*"This is a tremendous outcome which has been achieved in a very short space of time,"* said Tanami Gold's Managing Director, Mr Graeme Sloan.

*"The application of a more relevant gold price and current economic parameters has provided us with increased confidence that the CTP will re-emerge as a major gold production centre within the foreseeable future.*

*"The CTP purchase was a strategic acquisition as part the Company's drive to become a mid-tier 200,000 ounce a year producer. This landmark Resource upgrade provides a very strong platform for forthcoming exploration programs and puts us firmly on course to restart production here by late next calendar year."*

Resource extension and Reserve development drilling will commence at the CTP in early May 2010 and will initially focus on high priority deposits within MLS153.



**Graeme Sloan**  
**Managing Director/CEO**

**Note:**

*The information in this report pertaining to Mineral Resources was compiled by Mr Bill Makar (MAusIMM - Member Number 109848). Mr Makar 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 Makar is a senior resource consultant, and has consented in writing to the inclusion in this statement of his compiled information in the form and context in which it appears.*

*Other 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.*

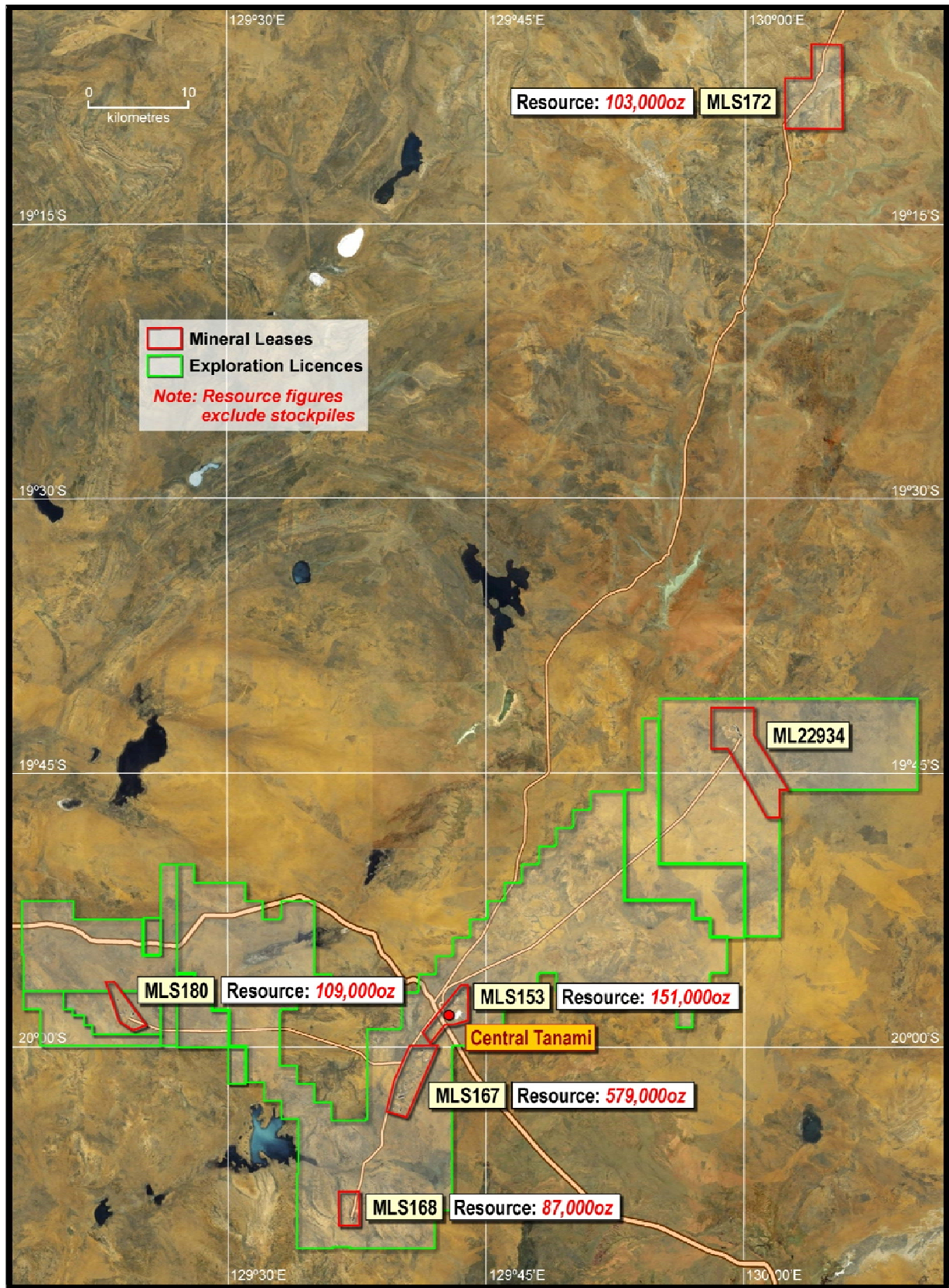


Figure 1 Central Tanami Project Gold Resource distribution by tenement