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NEW ROUND OF HIGH GRADE DRILLING RESULTS AT GROUNDRUSH DEPOSIT

NEW HIGH GRADE ZONE AT HURRICANE DEPOSIT

KEY POINTS

Latest drilling produces further high grade drill results at Groundrush.
Hurricane drilling intersects previously unidentified mineralised horizon.

Latest drilling from the Groundrush and Hurricane deposits include:

Groundrush Deposit

- **16.0m @ 10.4 g/t Au from 302.0m including - GRDD32**
  2.0m @ 52.6 g/t Au and
  23.0m @ 4.0 g/t Au from 273.0m including
  6.3m @ 7.6 g/t Au

- **22.0m @ 7.7 g/t Au from 71.0m including - GRDD29**
  4.0m @ 34.5 g/t Au

- **10.7m @ 5.7 g/t Au from 172.9m including - GRDD25**
  3.4m @ 13.5 g/t Au

Hurricane Deposit

- **30.2m@ 3.8 g/t Au from 144.0m including - HRDD14**
  6.0m @ 5.3g/t Au and 5.2m @ 10.1g/t Au

Australian gold producer Tanami Gold NL (ASX: TAM – 'Tanami' or 'the Company') is pleased to report continued high grade results from its ongoing Resource extensional drilling program at its 100%-owned **Central Tanami Project (CTP)** in the Northern Territory.

Tanami's Managing Director, Graeme Sloan said, "with every new hole we put down it is becoming increasingly clear that the Groundrush deposit is growing into a very large mineralised system, which is being supported by our latest high grade results.

"Importantly, we are seeing multiple parallel lodes with most remaining open in all directions."

To date, the Company has drilled a total of 38 holes into the Groundrush ore body; all have intersected the mineralised target while most have returned very strong grades and widths.

Groundrush Deposit

The Groundrush deposit is hosted within a thick fractionated dolerite unit and is located approximately 40 kilometres north-east of the CTP treatment plant. The deposit consists of a main north plunging zone of mineralisation, two footwall zones of mineralisation and a set of shallow dipping high grade zones of mineralisation. More recent drilling has also confirmed the emergence of an additional zone of gold mineralisation near the contact between the host dolerite and the footwall sediment package, averaging 5.0 metres in width.

The latest drilling has confirmed the existence of multiple parallel zones of mineralisation, most of which remain open down plunge and along strike. The main zone of mineralisation can be up to 35 metres true width in places with grades consistent with those required for underground mining. The latest results (see Table 1), when combined with the previously announced drill results, clearly highlight the enormous upside of the Groundrush deposit.

The Company recently engaged a well-known structural geologist to review and model all of the key controlling features within the Groundrush deposit. This work will not only assist with developing the Company's geological model but also ensure that planning of future drill holes is optimised.

Recent assay results from holes GRDD25, GRDD29, GRDD32 and HRDD14 have all returned excellent gold intervals including:

Groundrush

- ***6.1m @ 2.9 g/t Au from 98.0m*** ***GRDD25***
- ***10.7m @ 5.7 g/t Au from 172.9m including*** ***GRDD25 (Footwall Zone)***
  3.4m @ 13.5 g/t Au
- ***22.0m @ 7.7 g/t Au from 71.0m including*** ***GRDD29***
  4.0m @ 34.5 g/t Au
- ***6.0m @ 3.0 g/t Au from 117.0m*** ***GRDD29***
- ***23.0m @ 4.0 g/t Au from 273.0m including*** ***GRDD32***
  6.3m @ 7.6 g/t Au
- ***16.0m @ 10.4 g/t Au from 302.0m including*** ***GRDD32***
  2.0m @ 52.6 g/t Au
- ***13.0m @ 4.4 g/t Au from 334.0m including*** ***GRDD32 (Footwall Zone)***
  2.0m @ 14.2 g/t Au

A detailed summary of these and other holes are presented in Tables 1-3.

Hurricane-Repulse Deposit

The Hurricane–Repulse open pit is located immediately to the north of the Central Tanami processing plant and produced approximately 250,000 ounces from 1987 to 1995.

A new zone of mineralisation has been identified approximately 40 metres into the hanging wall of what was previously thought to be the host boundaries of the Hurricane system. Hole HRDD 14 intersected the new zone at the relatively shallow down hole depth of 144 metres, opening the possibility of it becoming an open pittable target.

This new zone remains open along strike and down dip and confirms the Company's conviction that there is significant scope to identify additional zones of mineralisation away from what was previously thought to be main "host areas".

Assay results from HRDD14 returned excellent gold intervals including:

- **30.2m @ *3.8 g/t Au from 144m***
  including 6.0m @ 5.3g/t Au and 5.2m @ 10.1g/t Au - HRDD14

A detailed summary of these and other holes are presented in Tables 1-3.

While exploration at Hurricane is at an early stage, the latest drill results from HRDD 14 combined with earlier drilling, underlines the potential for the Hurricane-Repulse deposit to be an important and significant contributor to the Company's long term production profile.

Mr Sloan said, "with the backlog of Groundrush samples slowly clearing from the Perth laboratories, coupled with the excellent work performed by our own geological team in developing our geological model, the Company is highly confident the next round of drilling at Groundrush will further enhance what we are seeing today. This is an excellent position to be in considering we have only tested a very small area of the Groundrush host dolerite with every likelihood we will see more outstanding results in the months ahead."

"When you combine Groundrush, Hurricane, Carbine and Southern, the main deposits tested to date, along with the remaining 30 historic open pits yet to be tested; plus up to 100 kilometres of the highly prospective Mt Charles–McFarlane Peak formation on our surrounding exploration licence areas, the Company is confident of the long term future of the Central Tanami area and its ability to transition Tanami Gold into the ranks of mid-tier gold producers."

Graeme Sloan
Managing Director

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Michael Thomson, a full time employee and Resource Geologist of Tanami Gold NL. Mr Thomson is a member of the Australasian Institute of Mining and Metallurgy 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 Thomson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Tanami Gold NL Overview

Tanami Gold NL is a Perth-based gold exploration and production company.

The Company is in production at its Western Tanami Operations (WTO), which comprises two mining centres, the Coyote underground mine and the Bald Hill open pit operations, both of which feed into the centrally located 350,000 tonnes per annum WTO treatment facility.

In March 2010, the Company acquired the Central Tanami Project (CTP) from Newmont Asia Pacific. The CTP is the subject of a Feasibility Study which is expected to be completed by October 2011. When in production the CTP will significantly add to the Company's production profile and will complement the Company's existing production base at the WTO. An extensive drill program is currently underway at the CTP with the main focus being Resource delineation at the Groundrush deposit.

The Company also has exposure to over 34,000 km^2 of prospective ground adjacent to and surrounding the WTO and CTP, through its 100% owned tenements and its strategic shareholding in ABM Resources NL.

Tanami Gold NL has current gold Resources of 2.3 million ounces and over 400,000 ounces of Reserves which will underpin the Company's long term growth and transition into a mid-tier gold producer.

Figure 1 – Groundrush Pit – Schematic Long Section (looking east) with Significant Gold Intersections

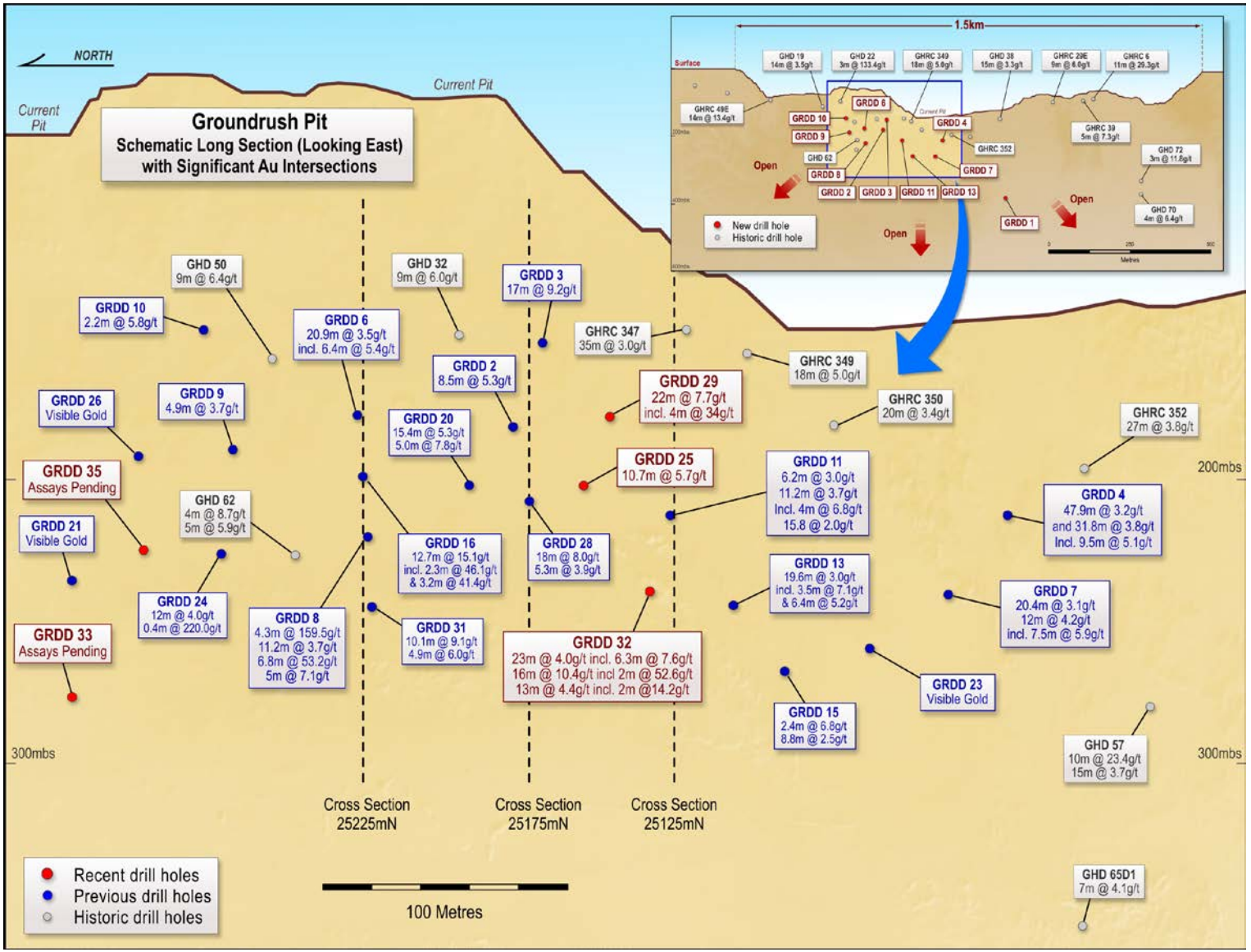

Figure 2 – Groundrush Schematic Cross Section 25125mN

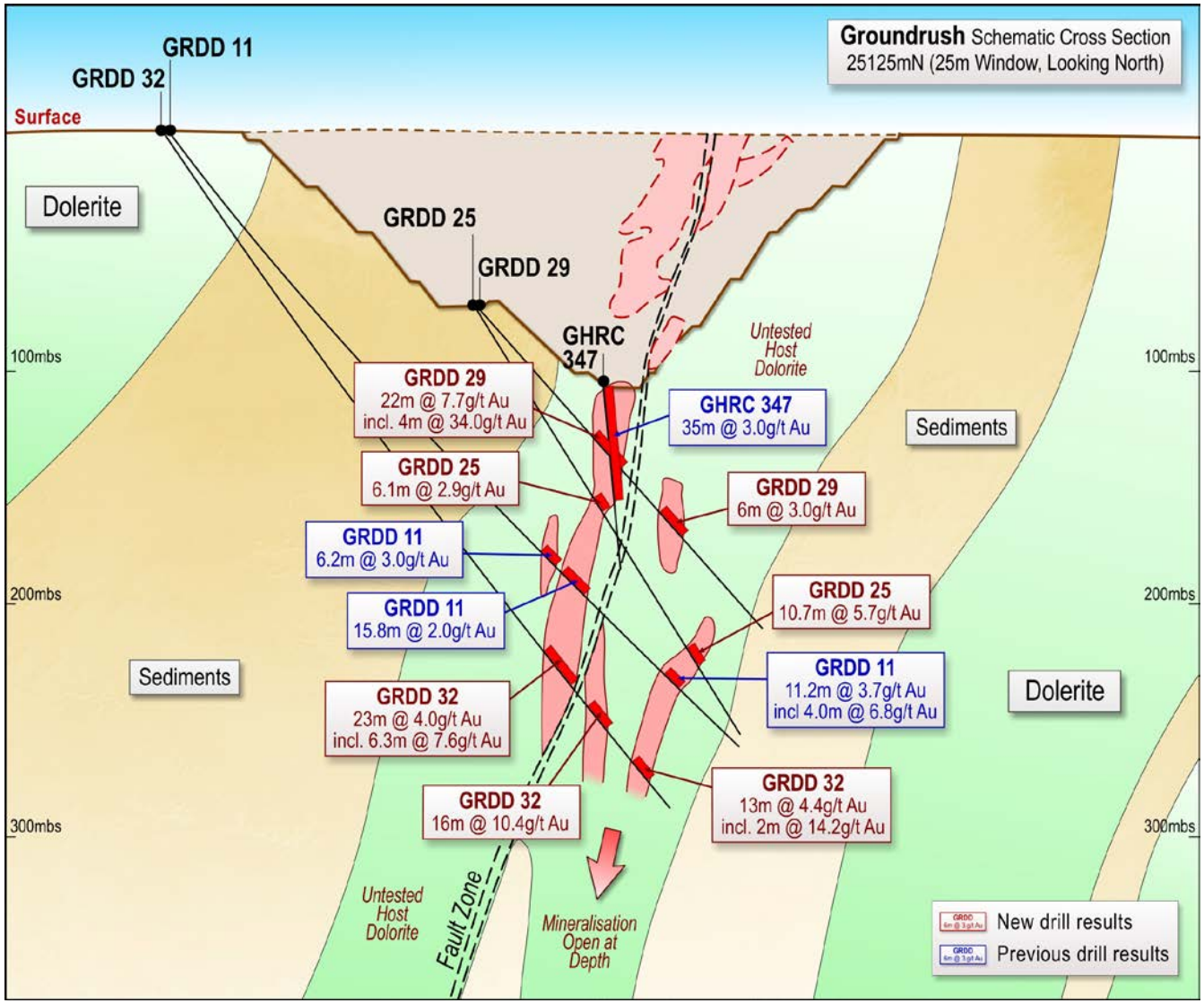

Figure 3 – Groundrush Schematic Cross Section 25175mN

(Previously Released: ASX 30 August 2011)

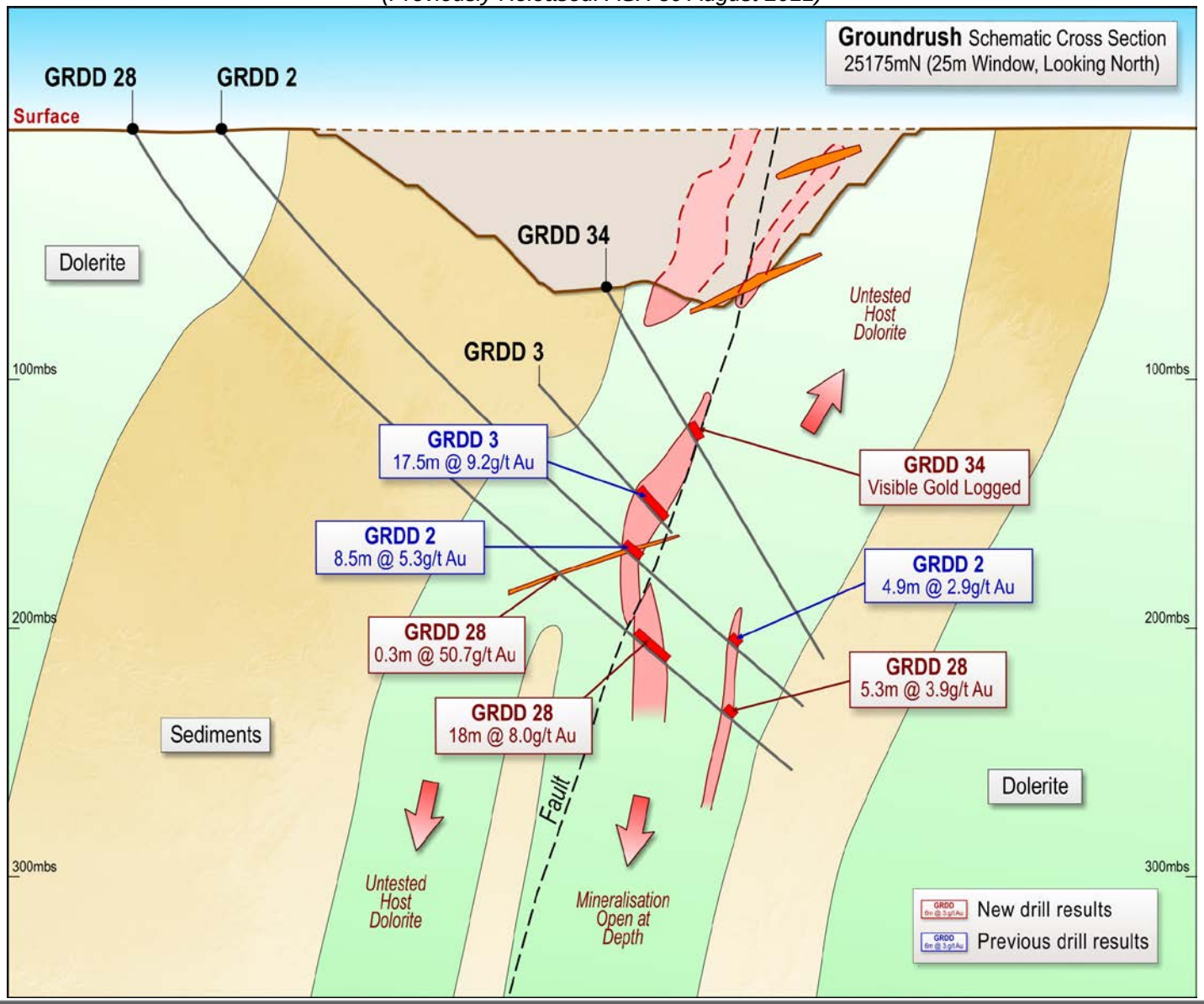

Figure 4 – Groundrush Schematic Cross Section 25225mN

(Previously Released: ASX 30 August 2011)

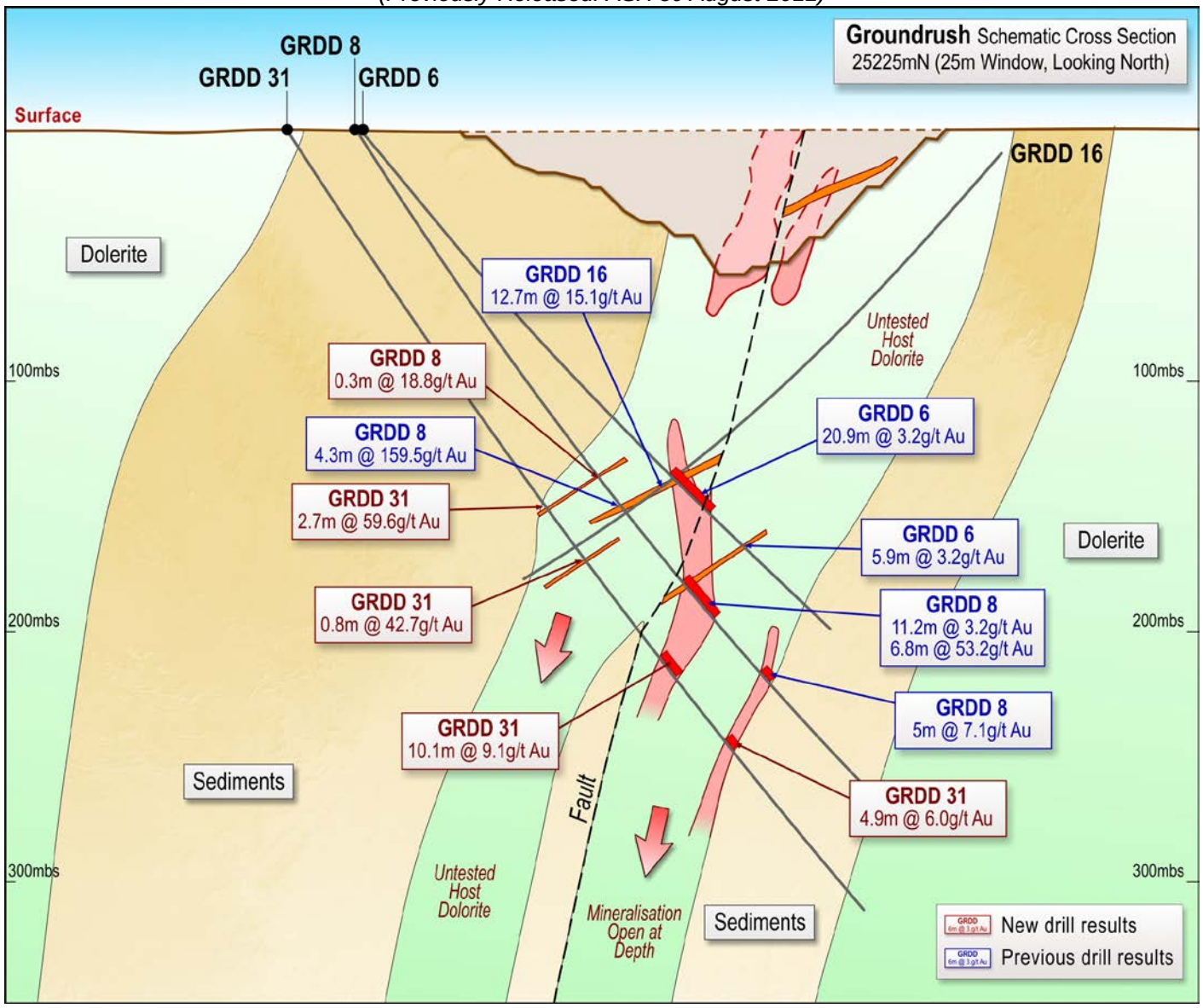

Figure 5 – Hurricane-Repulse Pit – Schematic Long Section

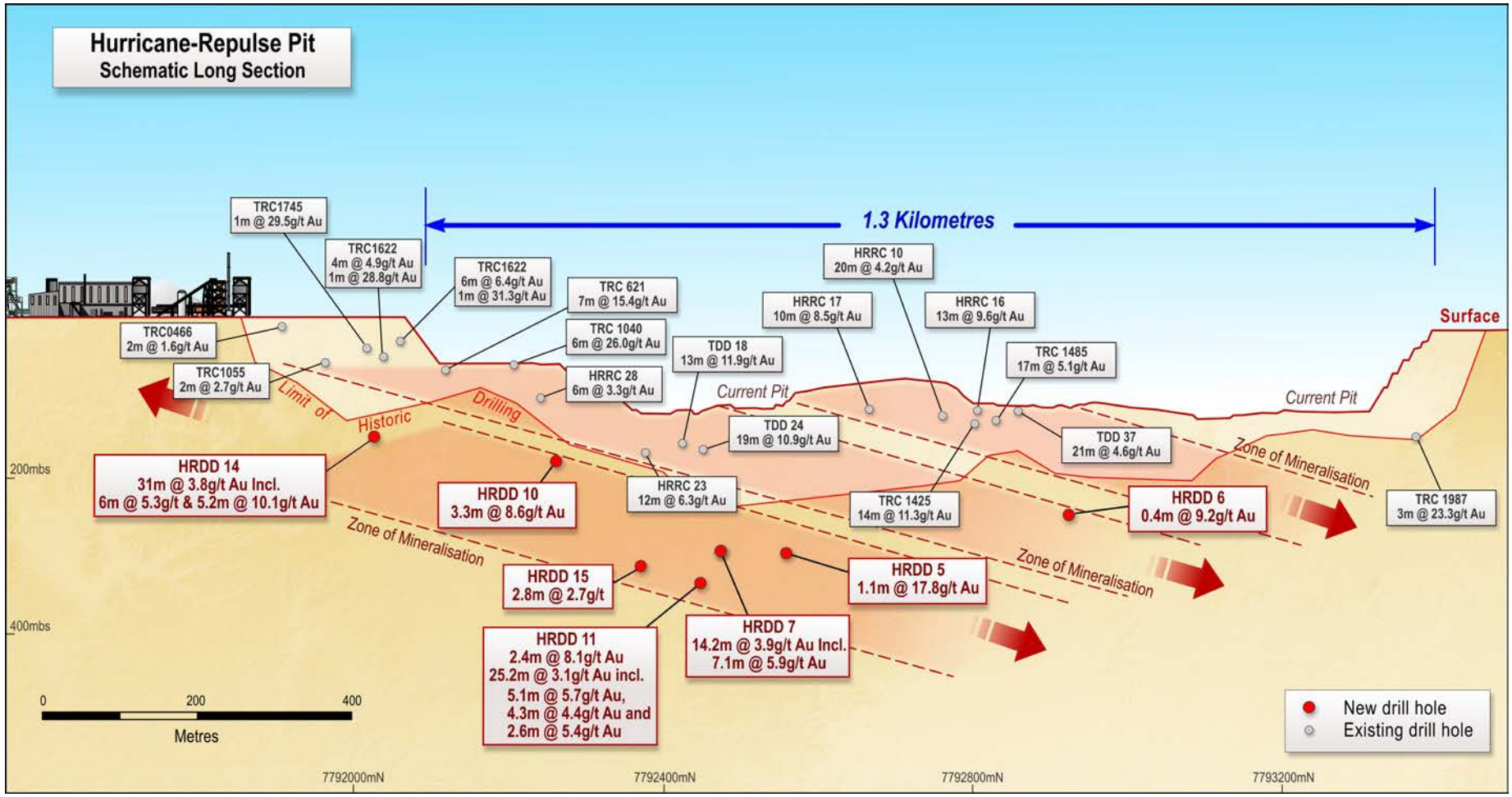

Table 1: Significant intersections from recent Groundrush diamond drilling

Hole ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	Metres From	Metres To	Interval Width	Grade g/t Au
GRDD25	603966	7820264	350	-60	50	218	98.0	104.1	6.1	2.9
							172.9	183.6	10.7	5.7
							Inc 177.7	181.0	3.4	13.5
GRDD29	603969	7820264	349	-50	50	183	71	93	22.0	7.7
							Inc 80	84	4.0	34.5
							117	123	6.0	3.0
GRDD32	603865	7820178	422	-55	48	362	273	296	23.0	4.0
							Inc 275.7	282	6.3	7.6
							302	318	16.0	10.4
							Inc 307	309	2.0	52.6
							334	347	13.0	4.4
							Inc 334	336	2.0	14.2

Notes to accompany Table 1

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 1.0g/t with maximum 2 metres internal dilution.
5. *Significant intersections are greater than 0.2g/t with maximum 3 metres internal dilution
6. Intervals are all down hole length.

Table 2: Significant intersections from recent Hurricane diamond drilling

Hole ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	Metres From	Metres To	Interval Width	Grade g/t Au
HRDD14	574812	7792159	438	-50	310	225	144	175	30.2	3.8*
HRDD15	574718	7792682	450	-50	130	401.2	366.2	369	2.8	2.7

Notes to accompany Table 2

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 1g/t with maximum 2 metres internal dilution.
5. *Significant intersections are greater than 0.2g/t with maximum 2metres internal dilution
6. Intervals are all down hole length.

Table 3: Significant intersections from Groundrush diamond drilling
(Previously reported)

Hole ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Hole Depth	Depth From	Depth To	Interval Width	Grade g/t Au
GRDD1	603980	7819851	420	-57	50	447.7	346.5	349.1	2.6	13.8*
GRDD2	603856.7	7820236	420	-48	50	333.8	235.5	244.0	8.5	5.3
							Inc 239.5	243.0	3.5	8.1
GRDD 3	603859	7820309	420	-60	73.5	267.7	198.0	214.0	16.0	9.7
							Inc 198.0	199.7	1.7	64.6
							Inc 207.0	214.0	7.0	5.8
GRDD4	603888	7820109	420	-48	58.5	309.9	243.1	291.0	47.9	3.2*
							Inc 243.1	255.9	12.8	2.6
							Inc 259.2	291.0	31.8	3.8
							303.0	304.9	1.9	5.1
GRDD6	603871	7820313	420	-48	47.5	276.6	188.5	209.4	20.9	3.5
							Inc 196.6	203.0	6.4	5.4
							225.1	231.0	5.9	3.2
GRDD7	603853	7820102	420	-48	56	420.8	275.3	295.7	20.4	3.1*
							Inc 275.3	276.8	1.5	16.9
							302.0	303.3	1.3	7.9
							307.0	319.0	12.0	4.5
GRDD8	603866	7820310	420	-55	48	336.5	170.0	173.2	3.2	2.8
							183.9	188.2	4.3	159.5*
							Inc 185.0	187.0	2.0	341.6
							224.4	235.6	11.2	3.7
							239.0	245.8	6.8	53.2+
							273.0	278.0	5.0	7.1
GRDD9	603830	7820352	420	-53	46.5	325	225.9	230.8	4.9	3.7
GRDD10	603869	7820379	420	-52.5	46.5	420.6	182.5	184.2	2.2	5.8
GRDD11	603867	7820179	420	-50	51.5	408.7	239.0	245.2	6.2	3.0
							251.0	266.8	15.8	2.0
							Inc 262.0	266.8	4.8	3.8
							311.0	322.2	11.2	3.7
							Inc 311.0	315.0	4.0	6.8
GRDD13	603862	7820146	420	-50	48.5	415.9	289.4	309.0	19.6	3.0#
							Inc 291.0	294.5	3.5	7.1
							Inc 302.9	306.0	3.1	4.6
							331.5	337.9	6.4	5.2
GRDD14	604292	7819563	366	-54	51.7	187	88.9	89.2	0.3	15.5
GRDD15	603849	7820102	422	-48	46	415	325.0	327.4	2.4	6.8
							363.0	371.8	8.8	2.5
GRDD16	604079	7820474	420	-47	235	422	192.2	204.9	12.7	15.12
							inc 199	201.3	2.3	46.1

GRDD17	603954	7819965	421	-53	48.8	398	208.6	211.8	3.2	41.3
							244.0	248.7	4.7	3.2
							307.3	311.3	4.1	8.0
GRDD18	604309	7819548	368	-55	50	188	9.0	10.0	1.0	32.9
							63.1	65.5	2.5	5.6
GRDD20	603848	7820263	423	-51	52.8	355	261.0	276.4	15.4	5.3
							Inc 269.1	272.0	2.9	10.9
							Inc 274.5	276.4	1.9	12.2
							312.0	317.0	5.0	7.8
GRDD24	603813	7820334	423	-55	48	325	251.4	263.4	12.0	4.0*
							323.3	323.7	0.4	220.0
GRDD28	603828	7820210	420	-48	44	374.4	251.3	252.1	0.7	50.7
							289.9	307.9	18.0	8.0
							337.0	342.3	5.3	3.9
GRDD31	603865	7820178	422	-55	48	390	183.7	186.4	2.7	59.6
							209.3	210.0	0.7	42.7
							258.5	268.6	10.1	9.1
							301.0	305.9	4.9	6.0

Notes to accompany Table 3

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 0.5g/t with maximum 2 metres internal dilution.
5. *Significant intersections are greater than 0.2g/t with maximum 3 metres internal dilution
6. + Previously reported as 9.5m @ 38.8g/t.
7. #Previously reported as 6.4m @ 4.4g/t
8. Intervals are all down hole length.

Table 4: Significant intersections from Hurricane diamond drilling
(Previously reported)

Hole ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	Metres From	Metres To	Interval Width	Grade g/t Au
HRDD7	575179	7792460	434	-50	306.5	429.8	396.5	410.7	14.2	3.9
HRDD5	575190	7792560	432	-55	306.5	381.3	372.6	373.7	1.1	17.8
HRDD6	575180	7792860	429	-55	306.5	381.9	281.8	282.1	0.4	9.2
HRDD10	574924	7792201	446	-48	306.5	270.7	251.7	255	3.3	8.6
HRDD11	575208	7792747	437	-48	276.5	434.4	361.7	364.1	2.4	8.1
							368.2	393.4	25.2	3.1
							Inc 368.2	370.8	2.6	5.4
							Inc 377.8	382.1	4.3	4.4
							Inc 385.5	390.6	5.1	5.7

Notes to accompany Table 4

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 1g/t with maximum 2 metres internal dilution.
   Intervals are all down hole length.

Table 5: Total Tanami Gold NL Ore Reserves as at 31 March 2011

Project	Reserve Category								
	Proven			Probable			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
WT	84,100	10.5	28,500	692,600	4.7	104,400	776,700	5.3	132,900
CT	355,000	5.5	62,400	1,689,000	2.9	159,000	2,044,000	3.4	221,300
Sub Total	**439,100**	**6.4**	**90,900**	**2,381,600**	**3.7**	**263,400**	**2,820,700**	**3.9**	**354,200**
CT Stockpile	1,700,000	0.9	48,000				1,700,000	0.9	48,000
Total	**2,139,100**	**2.0**	**138,900**	**2,381,600**	**3.7**	**263,400**	**4,520,700**	**2.8**	**402,200**

Notes to accompany Table 5

1. WT is Western Tanami and CT is Central Tanami
2. These Ore reserves have been compiled by Mr Peter Lock (MAusIMM), of Mining Plus Pty Ltd, Mr Brad Evans (MAusIMM), of Mining Plus Pty Ltd, Mr Colin McVie (MAusIMM), of Mining Plus Pty Ltd, Mr Bill Makar, Consultant Geologist – Tanami Gold NL, and Mr Peter Clifford, of MineMap Pty Ltd. Mr Lock, Mr Evans, Mr McVie, Mr Makar and Mr Clifford have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore reserves (the JORC Code) 2004 edition. Mr Lock, Mr Evans, Mr McVie, Mr Makar and Mr Clifford consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Table 6: Tanami Gold NL Mineral Resources as at 31 March 2011

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
WT	260,000	9.5	79,700	1,478,000	5.9	281,000	1,380,000	4.4	194,000	3,119,000	5.5	554,700
CT	6,255,000	2.9	579,000	7,905,000	2.6	668,000	5,054,000	2.8	451,000	19,215,000	2.8	1,699,000
Sub Total	**6,515,000**	**3.1**	**658,700**	**9,383,000**	**3.1**	**949,000**	**6,434,000**	**3.1**	**645,000**	**22,334,000**	**3.1**	**2,253,700**
CT Stockpile	1,700,000	0.9	48,000							1,700,000	0.9	48,000
Total	**8,215,000**	**2.7**	**706,700**	**9,383,000**	**3.1**	**949,000**	**6,434,000**	**3.1**	**645,000**	**24,034,000**	**3.0**	**2,301,700**

Notes to accompany Table 6

1. Resource estimations completed using MineMap, Vulcan and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
2. Grade estimation was constrained to material within >0.7g/t mineralisation outlines.
3. Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
4. Resources reported above 0.7g/t block model grade.
5. Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.
6. Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t. Rounding may affect tallies.
7. The information in this report pertaining to Mineral Resources for the Central Tanami Project was compiled by Mr Bill Makar (MAusIMM), Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), Resource Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Contract Geologist for Tanami Gold NL and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard and Mr Ball have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Persons 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, Mr Nicholls, Mrs Hillyard and Mr Ball consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.