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CENTRAL TANAMI PROJECT

EXCEPTIONAL DRILL RESULTS AT GROUNDROUSH

HIGHLIGHTS

Southern Deeps Exploration Drilling identifies highly significant mineralisation at depth with:

- 38 metres @ 45.9g/t Au - including 2 metres @ 826g/t
- 34 metres @ 3.0g/t Au

Note: These are uncut grades. Details of all holes drilled are shown at the end of this report.

Australian gold producer Tanami Gold NL (ASX: TAM – ‘Tanami’ or ‘the Company’) is pleased to announce the discovery of highly significant mineralisation within a new wide zone at Groundrush.

The results add another dimension to the exploration opportunities currently in front of the Company. Holes GRDD61 and GRDD63 are the most southern and deepest holes the Company has drilled to date and with mineralisation now confirmed in the southern deeps target, Tanami is set to conduct a comprehensive drill program on the deeper extents of known mineralisation, with additional drilling rigs scheduled to arrive on site in April 2012.

Deputy Chairman, Denis Waddell said, “The discovery of this new wide zone of high grade mineralisation is particularly pleasing as our geological team has generated predictive targets using a new geological model and has been successful with the first two holes drilled in this previously untested zone. Our exploration team’s interpretation work is to be commended given the terrific results.”

“The Groundrush +1 million ounce deposit produced 610,000 ounces from the open pit, has another 535,000 ounces in Resource (see Table 2 – ML 22934) and is open at depth. This latest drilling and other recent results, clearly demonstrate the mineralised system remains open at depth with repetitions to the south at the same tenor as the mineralisation already defined. These results highlight the potential to rapidly grow the Groundrush Resource.” (See Figure 1).

Southern Deeps Exploration

Results have been received from the two southern deep holes drilled at Groundrush with substantial mineralisation defined which has identified wide high grade mineralised zones below the south end of the current open pit. Mineralisation remains open in multiple directions.

GRDD61 - 34m @ 3.0g/t from 375m including 4m @ 13.6g/t from 396m
GRDD63 - 38m @ 45.9g/t from 421m including 2m @ 826g/t from 433m

GRDD61 and GRDD63 were designed to test the upper plunge component of a larger target that was a product of an update to the Groundrush geological model. GRDD61 and GRDD63 intersected minimal internal sediment, a wide quartz dolerite host, along with key structural features that are interpreted to have a significant impact on mineralisation potential at depth, indicating there is potential for broad mineralisation to continue down plunge.

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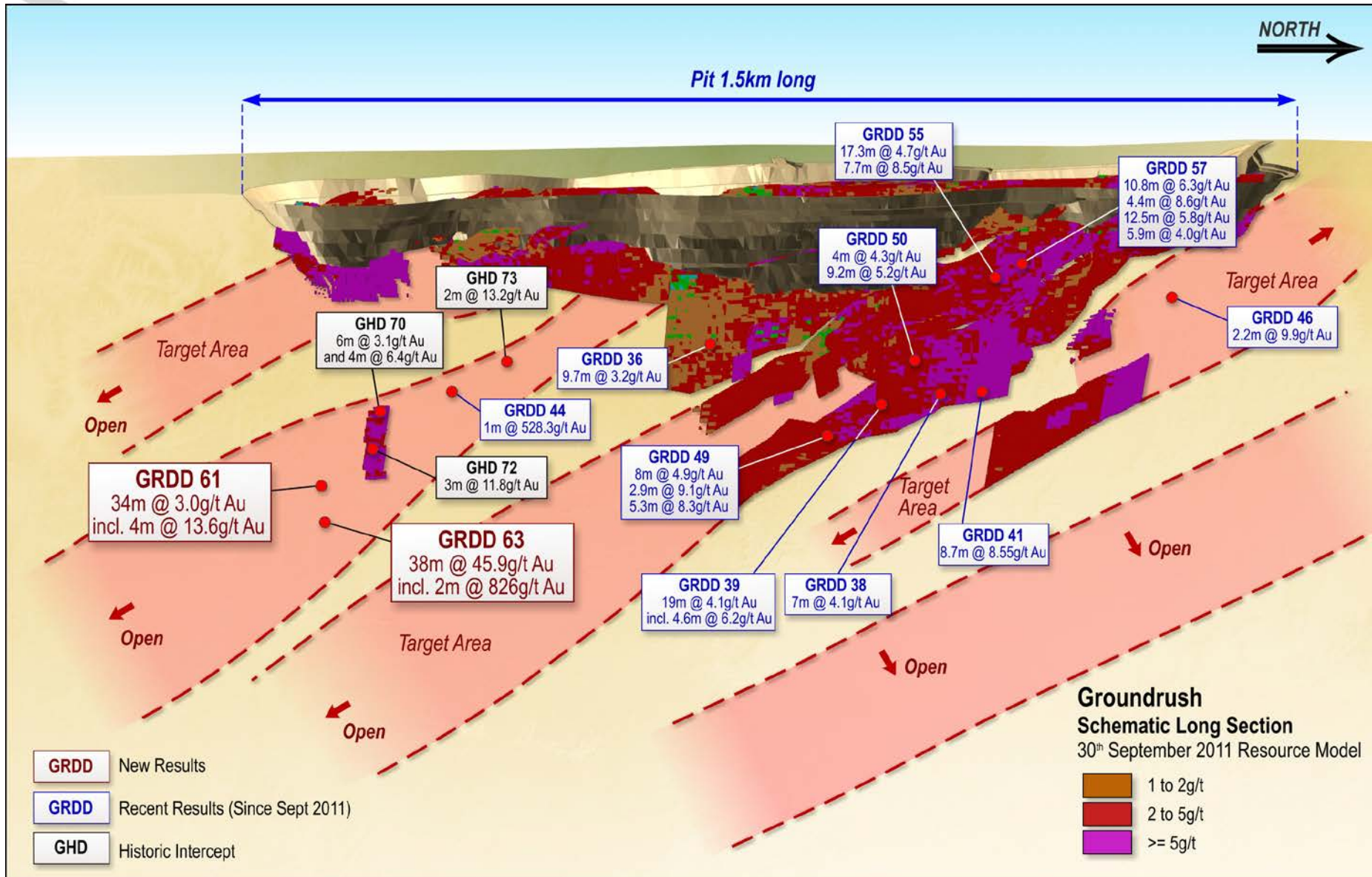


Figure 1: Groundrush Schematic Long Section

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These latest results, combined with the positive results reported since January 2012, justify the Board's decision to delay the Central Tanami Feasibility Study so as to provide the technical team with adequate time to better evaluate the scale of the Groundrush deposit which will impact on the optimised mine plan and the design and scale of the treatment plant.

Given the ongoing positive exploration results at Groundrush, an interim Resource upgrade is scheduled to be completed by the end of April 2012. A further Resource upgrade will be expedited within the next few months after additional drilling is undertaken as follow up to the exceptional intercepts returned in holes 61 and 63 and ongoing infill and extensional drilling to known lodes is completed.

Denis Waddell
Deputy Chairman

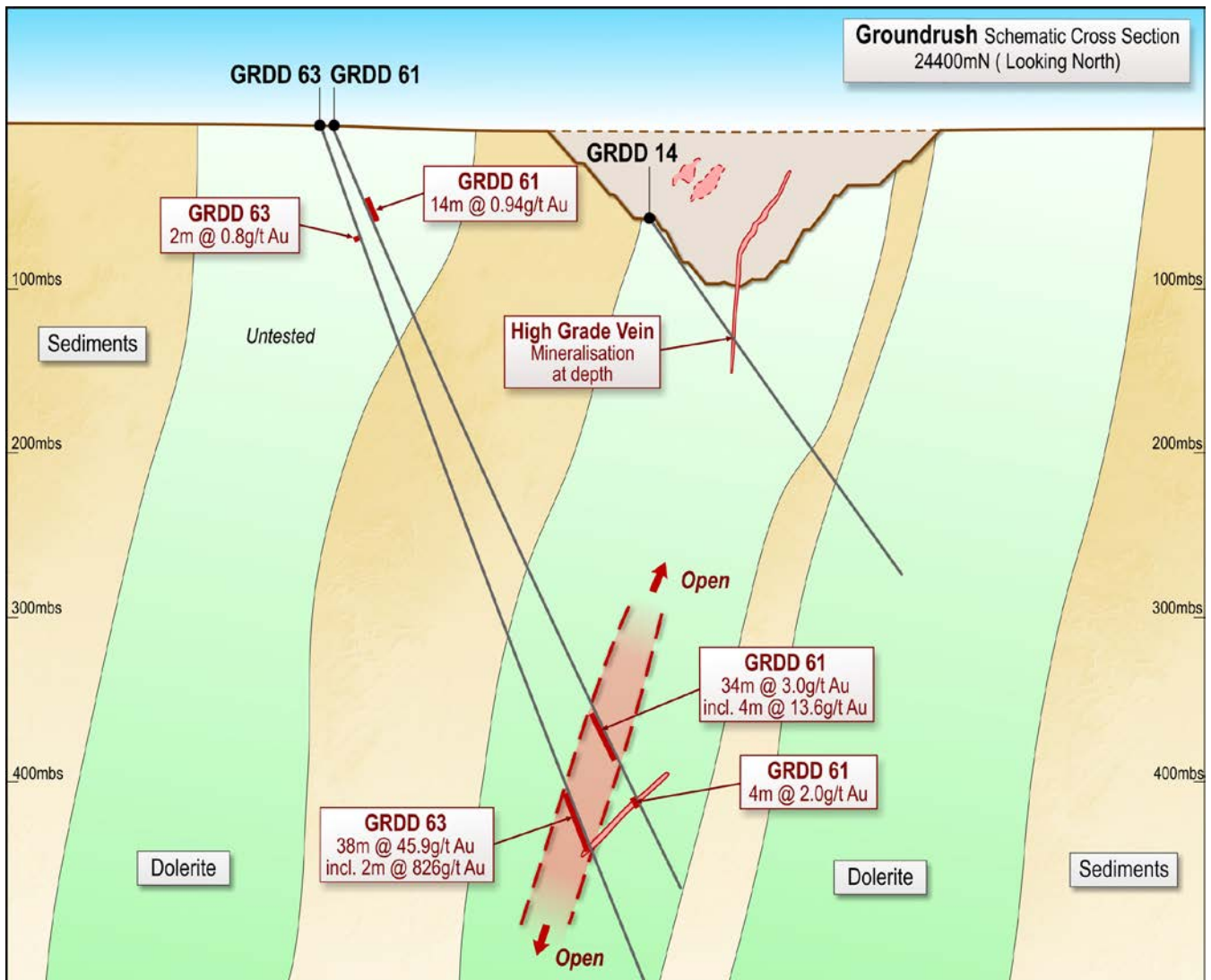


Figure 2 : Groundrush Schematic Cross Section: 24400N

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Competent Person Statement

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 Principal 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.

This announcement contains certain statements which constitute "forward looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward-looking statement. No representation or warranty, expressed or implied, is made by Tanami Gold NL that material contained in this announcement will be achieved or proved correct.

Table 1: Significant Recent Intersections from Groundrush Diamond Drilling

Hole_ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	Metres From	Metres To	Interval Width	Grade
GRDD49	603844	7820062	420	-55	48.5	453.8	363.5	364.3	0.75	27.0
							378.0	386.0	8.0	4.9
							396.0	398.9	2.9	9.1
							407.7	413.0	5.3	8.0
GRDD50	604142	7820446	421	-52	227.5	408.7	250.0	254.0	4.0	4.3
							293.0	302.2	9.2	5.2
GRDD53	603978	7820340	359	-45	49.7	136	11.2	12.0	0.8	30.6
							25.0	27.0	2.0	11.3
GRDD55	603983	7820360	361	-50	349.7	141.5	90.5	107.3	17.3	4.7
							110.3	118.0	7.7	8.5
GRDD57	603955	7820451	371	-90	3.5	149.1	15.3	26.0	10.8	6.3*
							Incl 21.6	26.0	4.4	8.6
							69.6	82.0	12.5	5.8
							98.1	104.0	5.9	4.0
GRDD61	604132	7819454	420	-67	45.5	512.1	53.0	65.0	14.0	0.94*
							375.0	409.0	34.0	3.0*
							396.0	400.0	4.0	13.6
GRDD63	604130	7819450	420	-71	45.5	623.1	80.0	82.0	2.0	0.8
							421.0	459.4	38.4	45.9*
							Incl 433.0	435.0	2.0	826.0

Notes to accompany Table 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.
- Analyses by 50g fire assay with AAS finish of half diamond core samples.
- No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
- Significant intersections are greater than 1.0g/t with maximum 2 metres internal dilution.
- * Significant intersections are greater than 0.2g/t with maximum 2 metres internal dilution.
- Intervals are all down hole length.
- Grey shaded results have been previously released.

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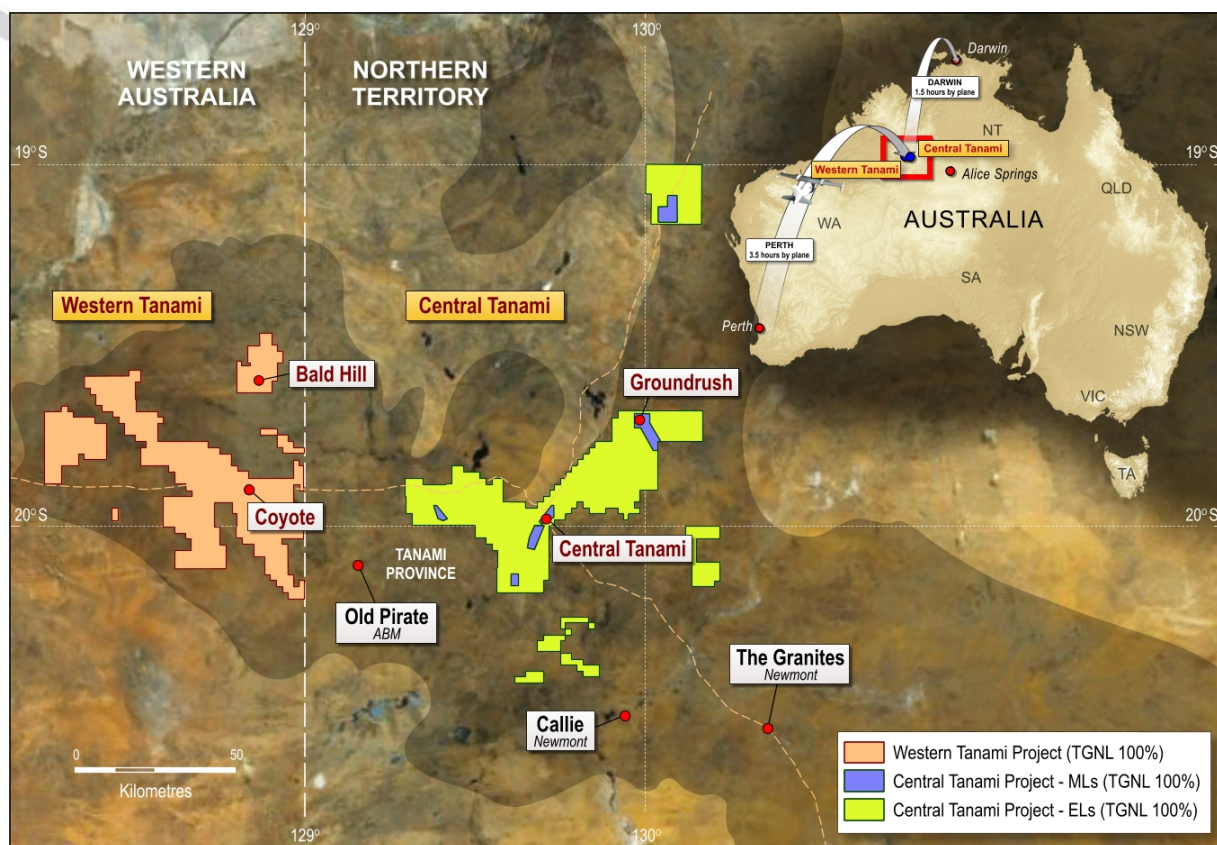


Figure 3: Location Map

Table 2: Central Tanami Project Mineral Resources as at 30 September 2011

Mineral Lease	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
MLS153	1,051,000	2.2	73,000	3,046,000	2.2	217,000	849,000	2.7	74,000	4,946,000	2.3	365,000
MLS167	2,709,000	3.4	293,000	2,613,000	2.9	244,000	2,050,000	2.9	191,000	7,373,000	3.1	728,000
MLS168	854,000	2.2	60,000	314,000	1.6	16,000	1,094,000	1.6	58,000	2,262,000	1.8	133,000
MLS180	545,000	3.3	57,000	872,000	2.7	76,000	269,000	2	18,000	1,685,000	2.8	151,000
MLSA172	1,096,000	2.7	96,000	176,000	1.8	10,000	142,000	2.7	12,000	1,415,000	2.6	119,000
ML22934	500,000	4.1	66,000	995,000	4.3	136,000	2,101,000	4.9	333,000	3,596,000	4.6	535,000
Subtotal	6,755,000	3.0	645,000	8,016,000	2.71	699,000	6,505,000	3.26	686,000	21,277,000	2.97	2,031,000
Stockpiles	1,700,000	0.9	48,000							1,700,000	0.9	48,000
Total	8,455,000	2.6	693,000	8,016,000	2.7	699,000	6,505,000	3.3	686,000	22,977,000	2.8	2,079,000

Notes to accompany Table 2

- Resource estimations completed using MineMap, Vulcan and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
- Grade estimation was constrained to material within >0.7g/t mineralisation outlines.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above 0.7g/t block model grade.
- 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 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.
- The Western Tanami Resource figure stated has not been depleted for combined Coyote mine production of 41,467 ounces during the period 1 July 2010 30th September 2011