

quarterly report

FOR THE PERIOD ENDING
30 SEPTEMBER 2013



COMPANY ENQUIRIES
Pauline Collinson
COMPANY SECRETARY

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COYOTE EXPLORATION

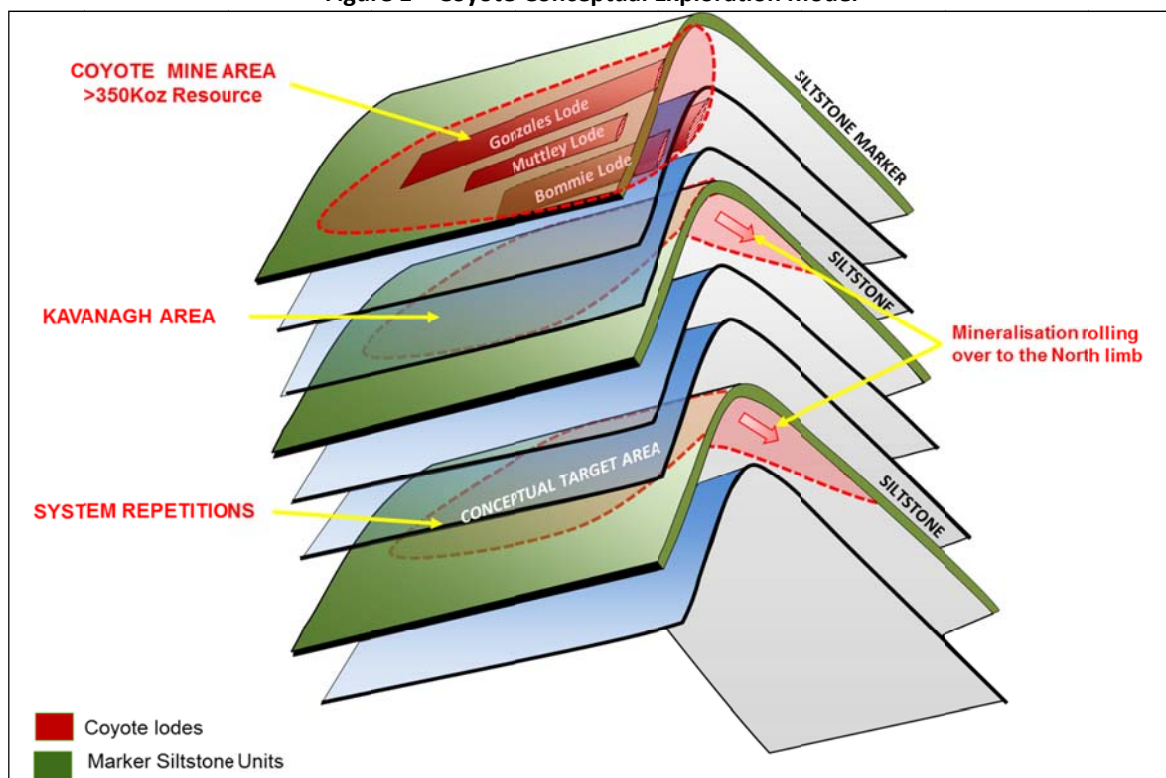
In July 2013, the Company elected to have its Kavanagh Business Case and subsequent drilling program externally reviewed by independent experts (Optiro Pty Ltd) to assess the merits of the proposal. The Board, having considered the proposal in light of a positive assessment provided by Optiro moved to approve a \$3.5 million drilling program due to commence in October 2013.

The Kavanagh drill program has three components:

- **Resource Upgrade** (Infill Drilling),
- **Resource Extension** (Extending Kavanagh Resource)
- **Exploration** (Exploring for new lodes at depth)

The drill program will predominantly focus on growing the Kavanagh Resource and exploring for repetitions of the mineralised system at depth. Drilling will be carried out using a combination of underground and surface diamond drill rigs between October 2013 and January 2014. The Company expects to complete 12,000-15,000 metres of diamond drilling over the scheduled drilling period and will provide updates on the progress of the drill program as and when results become available.

Figure 1 – Coyote Conceptual Exploration Model



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Figure 2: Coyote Planned Drilling

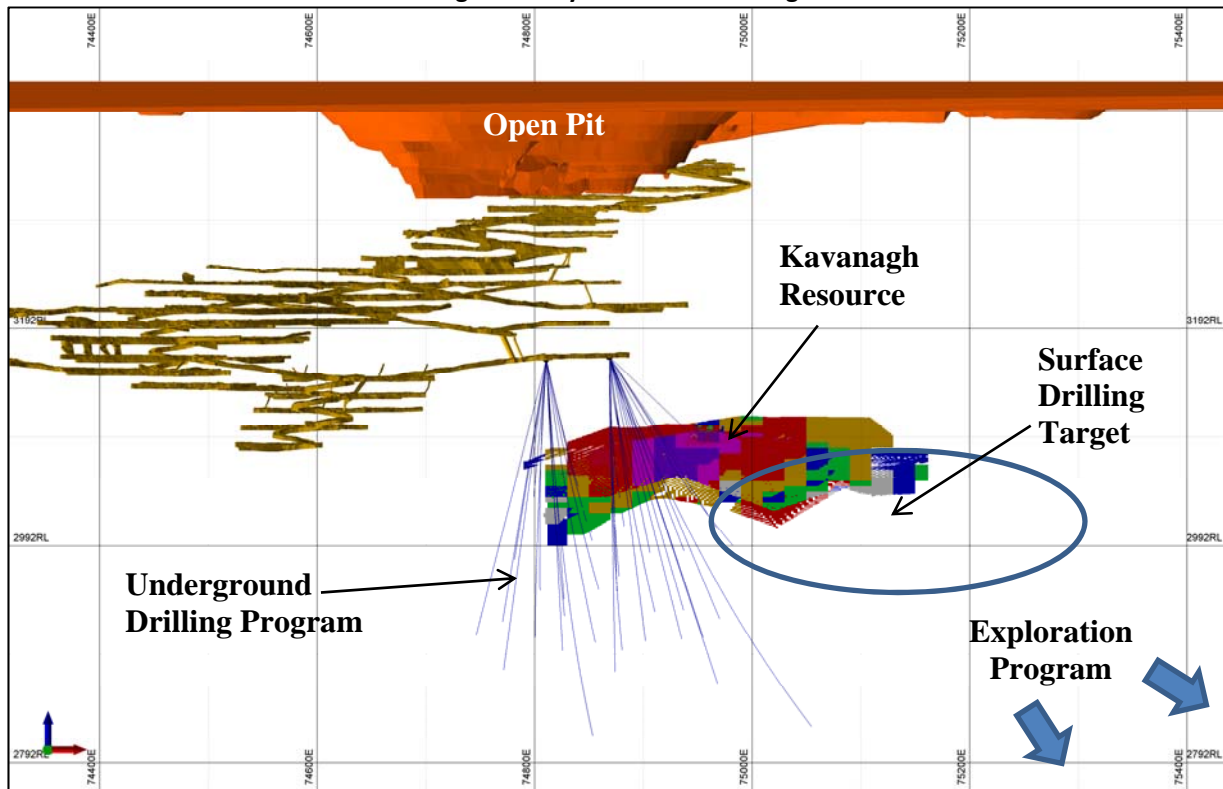


Table 1: Kavanagh Resource Statement

Classification	Tonnes	Grade	Ounces
		(g/t Au)	
Inferred	122,000	25.2	100,000

Notes to accompany Table 1

1. Tonnes and ounces of gold are rounded to significant figures and grade is rounded to the nearest 0.1g/t Au. Rounding may affect tallies.
2. Resources reported above 2.5g/t Au block model grade.
3. A top-cut of 150 gram per metre was applied during the modelling process.
4. Grade was estimated using the Inverse Distance Squared (ID2) technique.

REGIONAL EXPLORATION

Regional exploration expenditure was kept to a minimum during the quarter with a focus on maintaining tenement standing; as such only surface exploration in the Western Tanami Project was conducted during the quarter. A high success rate is being achieved from reconnaissance surface programs with results received from the previous quarter field exploration generating significant anomalies in three of four programs; at Cave Hill, North Bald Hill and 4km north of Coyote.

Final assaying results from the Cave Hill (Central Tanami Project) reconnaissance soil sampling program, undertaken the previous quarter, were received. The Company has identified several gold and pathfinder anomalous zones with two of these occurring in virgin ground that has no previous exploration within several km. These zones have regional geophysical signatures similar to Newmont's Callie deposit located 30km to the southeast.

Assaying results from reconnaissance soil sampling in E80/1483 during the previous quarter were received. This covered an area centered approximately 4km northwest of the Coyote Mine site with only sparse historic post-hole drilling and rock chip sampling. West-northwest trending tight folding and a regional fault are interpreted from magnetic images. Significant anomalous gold results are correlatable along magnetic features. The 400m by 100m sampling was closed up to 200m by 50m on the anomalous trends. Assay results have not been received.

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Assaying results from the North Bald Hill soil sampling program undertaken during the previous quarter in E80/1905 were received. The program is targeting poorly tested parts of the prospective Bald Hill Member unit which hosts the Kookaburra and Sandpiper gold deposits. Historic sampling is being closed up to 400m by 100m with some 200m by 100m near better historical geochemical anomalism. A significant anomalous zone of 600m strike within a 1.8km anomalous zone was generated in E80/1905. Infill sampling, closing the 400m line spacing to 100m, was undertaken with results confirming the anomalous zone. The North Bald Hill program continued in the current quarter, predominantly in E80/2036. Assay results have not been received.

Field mapping was undertaken at the Lyrebird Prospect (E80/1905). It is interpreted from float trains that veining continues to the northwest of the significant mineralisation in the prospect area. Drilling has been planned on the northwest strike extension for 2014.

Reconnaissance surface sampling programs were undertaken over sparsely explored areas on E80/1481, E80/1679, E80/1905 and E80/3665. There were no significant results from the programs in E80/1481 and E80/3665 with the others not yet received.

Orientation biogeochemical surveys with Spinifex sampling continued in the quarter testing a range of mineralisation tenor and cover depth. Results have not been received and further surveys are planned for the next quarter.

CORPORATE

Cash and Cash Equivalents

As at 30 September 2013, the Company had cash and gold in transit of \$4,703,613.

Loan Facility with Sun Hung Kai International Bank (Brunei) Limited (SHKIBBL)

During the quarter, the Company progressively drew down the remaining A\$6.0 million available under its unsecured A\$15.0 million loan facility with SHKIBBL.

The drawdowns under the Company's loan facility with SHKIBBL during the quarter were used to assist with funding the:

- Ongoing care and maintenance costs at Coyote;
- Redundancy payments associated with placing Coyote on care and maintenance; and
- Provision of additional working capital.

The repayment date of the Company's loan facility with SHKIBBL was extended during the quarter to 31 March 2015.

Mining Rehabilitation Fund

On 9 August 2013, the Company lodged a Mining Rehabilitation Fund ('MRF') application with the WA Department of Mines and Petroleum for the return of its \$2.4 million Coyote rehabilitation bond. The Company has opted to partake in the MRF early where the fund contribution rate is proposed to be 1 percent of the Coyote rehabilitation liability estimate.

At 30 September 2013, the return of the Company's \$2.4 million Coyote rehabilitation bond remained outstanding.

Listed Investments

On 26 August 2013, the Company sold its remaining 78,392,301 shares in ABM Resources NL at an average price of 3.4 cents per share receiving approximately \$2.6 million.

Loan Facility with AP Finance Limited

On 18 September 2013, the Company reached an agreement with AP Finance Limited for the provision of a new unsecured loan facility of approximately A\$12.0 million.

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Strategic Direction

The Board continues to maintain an ongoing focus towards reducing its care and maintenance fixed costs and overheads and is working with various parties to secure funding to ensure the Company remains financially viable whilst the drilling program and subsequent evaluation proceeds.

Other Corporate Matters

The Company is in continuing discussions with various third parties regarding possible corporate proposals and funding options.

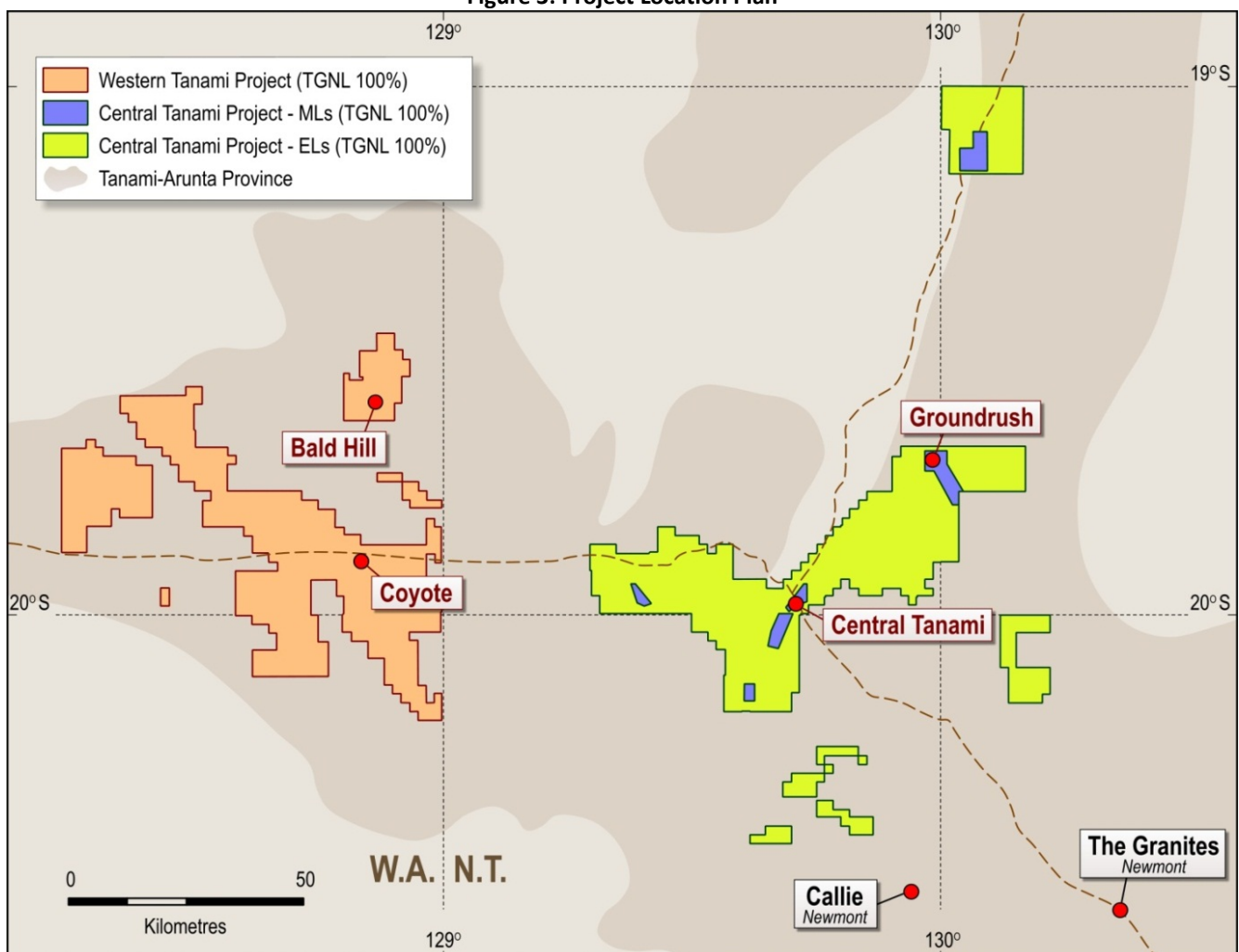
The Board's primary concern is to restore and grow shareholder value.

Gerard McMahon
Chairman

Competent Person

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. Mr Thomson 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 their information in the form and context in which they appear.

Figure 3: Project Location Plan



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Mineral Resources

Table 2: Tanami Gold NL Mineral Resources as at 31 March 2013

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes (000)	Grade g/t Au	Ounces (000)	Tonnes (000)	Grade g/t Au	Ounces (000)	Tonnes (000)	Grade g/t Au	Ounces (000)	Tonnes (000)	Grade g/t Au	Ounces (000)
WTP	482	2.8	44	1,071	5.7	197	1,500	6.4	310	3,053	5.6	551
CTP	6,730	3.0	648	9,491	3.0	954	9,279	3.0	1,022	25,500	3.0	2,625
Sub Total	7,212	3.0	692	10,562	3.4	1,151	10,779	3.8	1,332	28,553	3.5	3,176
CTP Stockpile	1,700	0.9	48							1,700	0.9	48
Total	8,912	2.6	740	10,562	3.4	1,151	10,779	3.8	1,332	30,253	3.3	3,224

Notes to accompany Table 2

- WTP is Western Tanami Prospect and CTP is Central Tanami Project.
- Resource estimations completed using MineMap, Vulcan, Surpac, Datamine 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 Au mineralisation outlines.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above relevant cut-offs based on economic extractions, varying between 0.7g/t Au and 1.0g/t Au 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 Au. 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), Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Resource Geologist for Tanami Gold NL, Mr Mark Drabble (MAusIMM) – Principal Consultant Geologist, Optiro Pty Ltd and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble 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 Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble 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.

Table 3: Western Tanami Project Mineral Resources as at 31 March 2013

Deposit	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces
Coyote	25,000	23.6	19,000	330,000	10.9	116,000	436,000	13.6	190,000	791,000	12.8	325,000
Sandpiper	27,000	3.3	3,000	455,000	4.1	59,000	635,000	4.4	90,000	1,117,000	4.2	152,000
Kookaburra	55,000	2.6	5,000	286,000	2.4	22,000	353,000	2.1	24,000	694,000	2.3	51,000
Pebbles							76,000	2.5	6,000	76,000	2.5	6,000
Stockpiles	375,000	1.4	17,000							375,000	1.4	17,000
Total	482,000	2.84	44,000	1,071,000	5.72	197,000	1,500,000	6.43	310,000	3,053,000	5.61	551,000

Notes to accompany Table 3:

- The Western Tanami Project Resource estimations were completed using Micromine, Surpac and Datamine software, comprising inverse distance grade interpolation within block models constrained by 3D wireframed geological boundaries. The wireframes defining the mineralisation were based on structural, assay and lithological information.
- Various top cuts have been applied to the drill hole samples based on lode domain analysis. Where top cuts were applied they ranged from 35g/t for Sandpiper, a range of 100-250g/t for Coyote and 150gram metres for Kavanagh.
- The Mineral Resource Estimate is reported at a 2.0g/t Au lower cut-off for Coyote, a 3.0g/t Au Cut-off for Kavanagh and 1.0g/t for the remaining Resources.
- Tonnes and ounces of gold are rounded to significant figures and grade is rounded to the nearest 0.1g/t Au. Rounding may affect tallies. Stockpile ounces rounded to nearest hundred.
- Resource estimation for the Muttley and Kavanagh lodes was completed by Michael Thomson, full time employee and Principal Geologist of Tanami Gold, the resource estimation of the remaining Coyote and Sandpiper deposits was completed by Mr Steven Nicholls, former Senior Geologist of Tanami Gold NL. The Kookaburra Resource estimation was conducted by Mr Peter Ball, Director of Datageo Geological Consultants. The Pebbles Resource estimate was completed in 2007 by Mr Malcolm Titley of CSA Australia Pty Ltd.
- Mr Thomson, Mr Nicholls (MAIG), Mr Ball (MAusIMM) and Mr Tittley (MAusIMM, MAIG) qualify as Competent Persons as defined by the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.
- The resource presented in this table has not been depleted by 7,675 ounces mined between January 2013 and June 2013 from the Coyote Mine.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

TANAMI GOLD NL

ABN

51 000 617 176

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	509	509
1.2 Payments for (a) exploration & evaluation (b) development (c) ¹ production (d) administration	(1,099) (276) ¹ (2,570) (1,585)	(1,099) (276) ¹ (2,570) (1,585)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	51	51
1.5 Interest and other costs of finance paid	(131)	(131)
1.6 Income taxes paid	-	-
1.7 Other – withholding tax paid	(9)	(9)
Net Operating Cash Flows	(5,110)	(5,110)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- 2,665 -	- 2,665 -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payment for security bond	(71)	(71)
Net investing cash flows	2,594	2,594
1.13 Total operating and investing cash flows (carried forward)	(2,516)	(2,516)

¹ The Company's sole operating gold mine (Coyote) was placed on care and maintenance 24 April 2013. The on-going care and maintenance costs incurred at Coyote are captured internally by Management within its existing production departments (Maintenance, Underground and Processing). The presentation of the care and maintenance costs as production costs within the Appendix 5B is consistent with Company guidelines and internal reporting.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,516)	(2,516)	
	Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-	
1.15	Proceeds from sale of forfeited shares	-	-	
1.16	Proceeds from borrowings	6,000	6,000	
1.17	Repayment of borrowings	(181)	(181)	
1.18	Dividends paid	-	-	
1.19	Other (provide details if material)	(223)	(223)	
	Net financing cash flows	5,596	5,596	
	Net increase (decrease) in cash held	3,080	3,080	
1.20	Cash at beginning of quarter/year to date	1,624	1,624	
1.21	Exchange rate adjustments to item 1.20	-	-	
1.22	Cash at end of quarter	4,704	4,704	

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(79)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	15,000	15,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,042
4.2 Development	52
4.3 Production	1,104
4.4 Administration	1,256
Total	5,454

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,704	1,624
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,704	1,624

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Reduction in area by Compulsory/Voluntary Partial Surrender		
		E80/4306 69 blocks (221 km ²) Outright Surrender Nil	100%	NIL
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Expiry		
		E80/3844 3 blocks (10 km ²) Withdrawal Nil Sale Nil	100%	NIL
		Application for Exploration Licence Nil Purchase Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	587,548,524	587,548,524		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	300,000 1,912,500 262,500	- - -	<i>Exercise price</i> \$1.34 \$0.90 \$1.00	<i>Expiry date</i> 22/12/2016 28/03/2017 28/03/2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	37,500 1,250,000 500,000	- - -	\$0.90 \$1.00 \$1.10	30/09/2013 30/09/2013 30/09/2013
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 31 October 2013
(Company secretary)

Print name: Pauline Collinson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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