

# quarterly report

FOR THE PERIOD ENDING  
30 JUNE 2015



**COMPANY ENQUIRIES**  
Pauline Collinson  
COMPANY SECRETARY

**TANAMI GOLD NL**  
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## CORPORATE

### Cash and Cash Equivalents

As at 30 June 2015, the Company had cash of \$195,587.

### Pending Transactions

#### Joint Venture with Northern Star Resources Limited ("NST")

At the general meeting of the Company held on 13 April 2015, the Company's shareholders approved a farm-out and joint venture arrangements with NST. Conditions precedent to completion of that transaction are expected to be satisfied shortly.

The Board has previously advised shareholders there is ongoing litigation with Metals X Limited regarding the NST transaction.

The litigation involves:

1. the Company seeking a declaration that the heads of agreement with Metals X dated 6 February 2015 has terminated; and
2. Metals X claiming damages for the Company's alleged breach of contract and alleged misleading conduct.

The Board denies the legal and factual basis of Metals X's claim.

The litigation is ongoing but is not expected to affect the operation of the NST Joint Venture.

#### Update on Coyote Plant Agreement with ABM Resources NL

Subsequent to 30 June 2015, the Company announced ABM paid \$2 million rent for the initial term of the Lease which is a period of 1 year from 14 July 2015.

#### Loan Facility with Sun Hung Kai International Bank [Brunei] Limited ("SHKIBBL")

On 30 June 2015, the Company and SHKIBBL executed an agreement to extend the Loan Facility repayment date from 31 March 2015 to 30 September 2015.

As at 30 June 2015, the Company had drawn down A\$11 million leaving it with A\$4 million in undrawn funds under the Loan Facility.

#### Letter of Support AP Finance Limited

The Company has a legally binding letter of support from AP Finance Limited to provide an unsecured Loan Facility of approximately A\$12 million. The Company has not made any drawdowns from the unsecured Loan Facility.

**Gerard McMahon**  
Chairman

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## EXPLORATION

During the quarter, the Company carried out sufficient exploration to ensure that its tenements remained in good standing.

At the Central Tanami Project reconnaissance work within EL26926 was carried out along the Tanami North Trend. This consisted of geological mapping and prospecting along a northeast trending contact of the Gardner Sandstone with underlining Mt Charles Formation basalts and sediments. Mapping identified several locations with gold bearing quartz and silicified basalt that appears to be related with cross cutting fault zones. This area was tested with reconnaissance RAB drilling in 2012, with no anomalous Au results, although due to the orientation of these veins and silicified basalt this drilling has not adequately tested the potential mineralisation. Further detailed geological mapping and closely spaced surface sampling is planned.

Exploration at Western Tanami tenements during the quarter consisted of geological mapping and field geochemical (XRF) survey conducted over the Snappy Gum target (Phase 1), which lies to the south of the Coyote Mine within tenement E8033/88. Mapping identified tight isoclinal folding of the sandstones and siltstones with lenses of felsic intrusive and quartz veining within more shear portions of the sequence. The XRF data identified a concentration of Arsenic near the hinge of an interpreted anticline with chrome, copper and lead appearing to highlight specific geology units within the limb of the fold.

Interpretations to date suggest that the Snappy Gum prospect consists of a tightly folded anticline, with evidence of faulting and early shearing that includes the emplacement of lenses of felsic intrusive rocks; all are key features of known mineralisation in the region and justify additional exploration. A surface soil sampling program and expansion of the geochemical mapping (XRF) north towards the Fremlin Prospect (Phase 2) is scheduled for the September 2015 quarter.

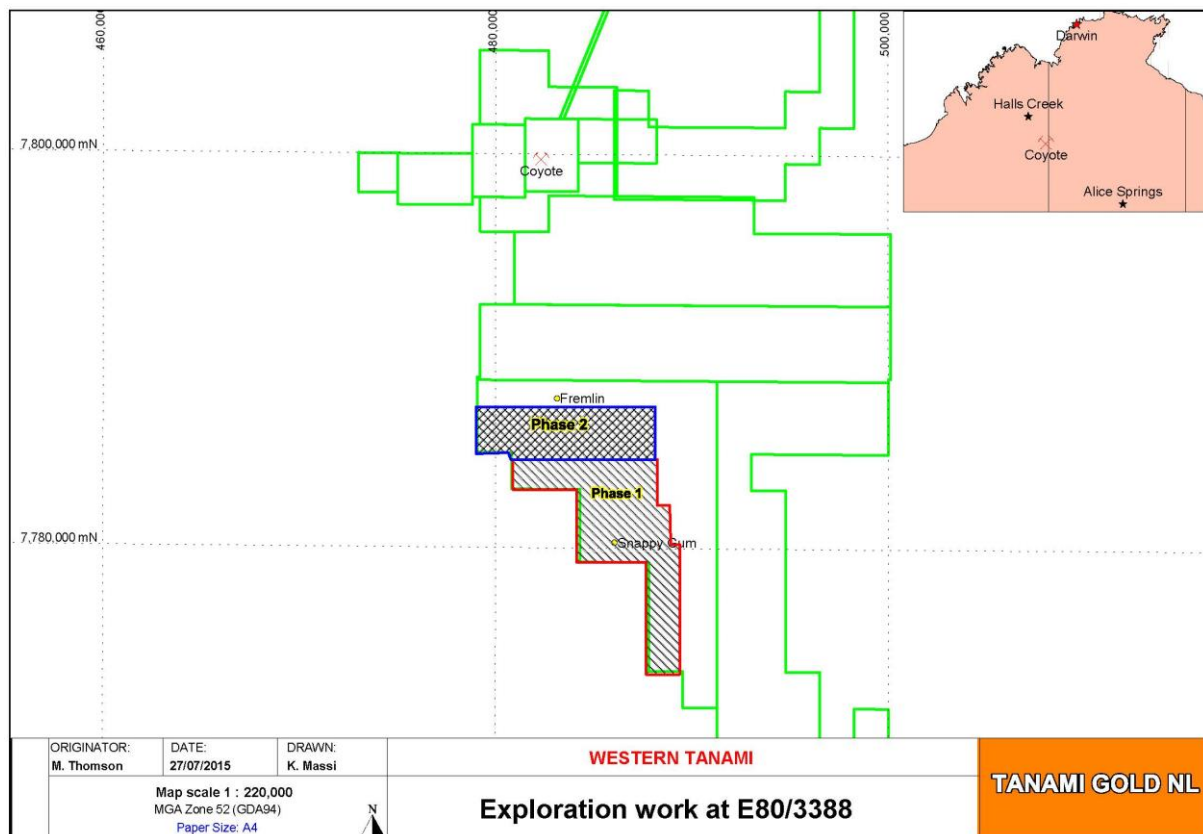


Figure 1: Snappy Gum Exploration

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## Mineral Resources

**Table 1: Tanami Gold NL Mineral Resources as at 30 April 2014**

Project	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
WTP	482	2.8	44	1,079	6.0	208	1,446	5.8	271	2,931	5.6	523
CTP	6,730	3	648	9,491	3	954	9,279	3	1,022	25,500	3	2,625
<b>Sub Total</b>	<b>7,212</b>	<b>3.0</b>	<b>692</b>	<b>10,570</b>	<b>3.4</b>	<b>1,162</b>	<b>10,725</b>	<b>3.7</b>	<b>1,293</b>	<b>28,431</b>	<b>3.4</b>	<b>3,148</b>
CTP Stockpile	1,700	0.9	48							1,700	0.9	48
<b>Total</b>	<b>8,912</b>	<b>2.6</b>	<b>740</b>	<b>10,570</b>	<b>3.4</b>	<b>1,162</b>	<b>10,725</b>	<b>3.7</b>	<b>1,293</b>	<b>30,131</b>	<b>3.3</b>	<b>3,196</b>

**Notes to accompany Table 4**

1. WTP is Western Tanami Prospect and CTP is Central Tanami Project.
2. 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.
3. Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
4. Resources reported above relevant cut-offs based on economic extractions, varying between 0.7g/t Au and 5.0g/t Au 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 Au. Rounding may affect tallies.
7. The information in this report pertaining to Mineral Resources was compiled by Mr Bill Makar (MAusIMM), former Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), former Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), former 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 2: Schedule of mineral tenements- Western Australia**

WESTERN AUSTRALIA				
WA (TGNL 100%)	Name	Granted From	Expiry Date	Blocks
E80/1481	Balwina	05/10/93	04/10/15	24
E80/1483	Bold Hill	16/04/92	15/04/15	15
E80/1737	Camel Hump	22/03/94	21/03/15	28
E80/3388	Olive	15/05/06	14/05/15	35
E80/3389	Popeye	15/05/06	14/05/15	35
E80/3665	Border	19/10/07	18/10/17	17
M80/559	Coyote 1	27/09/05	26/09/26	997 hectares
M80/560	Coyote 2	27/09/05	26/09/26	998 hectares
M80/561	Coyote 3	27/09/05	26/09/26	988 hectares
M80/563 <sup>1</sup>	Bald Hill 2	02/12/05	01/12/26	978 hectares

**WESTERNAUSTRALIA TOTAL**

**532 km<sup>2</sup>**

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**Table 3: Schedule of Mineral Tenements- Northern Territory**

NORTHERN TERRITORY				
CENTRAL TANAMI (TGNL 100%)	Name	Granted From	Expiry Date	Blocks
EL8797	Gamma	09/09/99	25/08/16	2
EL9763	Red Hills	24/07/00	23/07/15	7
EL9843	Chapmans Hill	27/03/06	31/12/15	21
EL10355	Red Hills North	04/06/01	03/06/15	4
EL10411	Tanami Downs North	04/06/01	03/06/15	7
EL22061	Farrands Hill South	27/03/06	31/12/15	13
EL22229	Question Mark Bore East	08/06/01	07/06/15	8
EL22378	Question Mark Bore Far East	08/06/01	07/06/15	6
EL23342	Coomarie	25/05/06	31/12/15	8
EL26925	Goanna 2	25/01/11	24/01/15	60
EL26926	Black Hills 2	25/01/11	24/01/15	204
EL28282	Suplejack	20/04/11	19/04/17	35
EL28474	Rushmore	12/03/13	11/03/19	148
EL(A)28283	Goat Creek 2	Application		72
EL(A)28613	Gamma East	Application		123
ML22934	Groundrush	14/09/01	13/09/26	3950 hectares
MLS119	Reward	15/05/64	31/12/30	8.09 hectares
MLS120	No. 1 South	15/05/64	31/12/30	8.09 hectares
MLS121	No. 2 South	15/05/64	31/12/30	8.09 hectares
MLS122	No. 3 South	15/05/64	31/12/30	8.09 hectares
MLS123	No. 4 South	15/05/64	31/12/30	8.09 hectares
MLS124	No. 1 North	15/05/64	31/12/30	8.09 hectares
MLS125	No. 2 North	15/05/64	31/12/30	8.09 hectares
MLS126	No. 3 North	15/05/64	31/12/30	8.09 hectares
MLS127	No. 4 North	15/05/64	31/12/30	8.09 hectares
MLS128	No. 5 North	15/05/64	31/12/30	7.09 hectares
MLS129	No. 6 North	15/05/64	31/12/30	8.09 hectares
MLS130	East Block	15/05/64	31/12/30	8.09 hectares
MLS131	No. 5 South	15/05/64	31/12/30	8.09 hectares
MLS132	No. 6 South	15/05/64	31/12/30	8.09 hectares
MLS133	South-East Block	15/05/64	31/12/30	8.09 hectares
MLS153	Tanami Extended	05/10/90	04/10/15	1000 hectares
MLS167	Matilda	13/10/95	31/12/20	1877 hectares
MLS168	Enterprise	13/10/95	31/12/20	712 hectares
MLS180	Molech	18/11/98	31/12/22	804 hectares

**NORTHERN TERRITORY TOTAL**

**2,268 km<sup>2</sup>**

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## **Competent Person Statement**

*The information in this report that relates to all Mineral Resources is based on information compiled by consultant geologist Mr Michael Thomson of MiGeo Enterprise Pty Ltd. 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 information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

*The information in this report that relates to all Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by consultant geologist Mr Michael Thomson of MiGeo Enterprise Pty Ltd. Mr Thomson is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.*

## 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 June 2015

#### Consolidated statement of cash flows

	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	1313	1,332
1.2 Payments for (a) exploration & evaluation	(443)	(2,120)
(b) development	-	-
(c) care and maintenance	(292)	<sup>2</sup> (2,143)
(d) administration	(428)	(1,382)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	63
1.5 Interest and other costs of finance paid	-	(330)
1.6 Income taxes paid	-	-
1.7 Other – withholding tax paid	(4)	(59)
<b>Net Operating Cash Flows</b>	<b>(841)</b>	<b>(4,639)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(45)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	699
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payment for security bond	-	-
1.13 Other – refund of security bond	-	201
<b>Net investing cash flows</b>	<b>-</b>	<b>855</b>
1.14 Total operating and investing cash flows (carried forward)	<b>(841)</b>	<b>(3,784)</b>

<sup>1</sup> Monthly invoices to cover the Company's care and maintenance costs are issued to ABM Resources Limited in arrears. During the quarter the Company received payment for the February, March and April invoices.

<sup>2</sup> YTD care and maintenance costs include an amount of \$150,000 to settle, by way of Consent Orders, the District Court Action commenced with Australian Resources Contracting Pty Ltd.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

1.14	Total operating and investing cash flows (brought forward)	(841)	(3,784)
	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	4,000
1.18	Repayment of borrowings	(44)	(500)
1.19	Dividends paid	-	-
1.20	Other – Borrowing costs	(56)	(445)
	<b>Net financing cash flows</b>	(100)	3,055
	<b>Net increase (decrease) in cash held</b>	(941)	(729)
1.21	Cash at beginning of quarter/year to date	1,137	925
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	196	196

**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	
1.24	Aggregate amount of payments to the parties included in item 1.2	(65)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

N/A
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**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
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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
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+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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**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	<sup>3</sup> 4,000	11,000
3.2 Credit standby arrangements	-	-

<sup>3</sup>The Company has a \$15 million unsecured Loan Facility with Sun Hung Kai International Bank [Brunei] Limited of which \$4 million in funds remain available for drawdown.

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	647
4.2 Development	-
4.3 Care and maintenance	<sup>4</sup> 100
4.4 Administration	<sup>5</sup> 594
<b>Total</b>	1,341

<sup>4</sup>This amount includes both Western and Central Tanami care and maintenance costs.

<sup>5</sup>Administration costs exclude the repayment of the Company's borrowings, interest and facility fees, associated with the Company's \$15 million unsecured Loan Facility with SHKIBBL.

**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	196	1,137
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	196	1,137

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+ 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	<p><b>Reduction in area by Compulsory/ Voluntary <u>Partial Surrender</u></b></p> <p><u>Nil</u></p> <p><b><u>Outright Surrender</u></b></p> <p>Nil</p> <p><b><u>Expiry</u></b> 18 blocks</p> <p><b><u>Withdrawal</u></b></p> <p>Nil</p> <p><b><u>Sale</u></b></p> <p>Nil</p>	100%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased	<p><b>Application for Exploration Licence</b></p> <p>Nil</p> <p><b><u>Purchase</u></b></p> <p>Nil</p>		

**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				
7.2				
7.3	1,175,097,046	1,175,097,046		

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	<b>+Convertible debt securities</b> <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	300,000	-	<i>Exercise price</i> \$1.34	<i>Expiry date</i> 22/12/2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	100,000 100,000	- -	\$0.90 \$1.00	30/05/2015 30/05/2015
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

+ 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:           Pauline Collinson  
                          Date: 29 July 2015  
                          (Company Secretary)

## **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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