

quarterly report

FOR THE PERIOD ENDING
30 Sep 2016



COMPANY ENQUIRIES
Pauline Collinson
COMPANY SECRETARY

TANAMI GOLD NL
ABN 51 000 617 176
T: +61 8 9212 5999
F: +61 8 9212 5900

Unit B1, 431 Roberts Road, Subiaco
Western Australia 6008
PO BOX 1892, West Perth
Western Australia 6872

CORPORATE

Cash and Cash Equivalents

As at 30 September 2016, the Company had cash of \$ 6,782,002.

Joint Venture with Northern Star Resources Limited

As previously announced, the Company and Northern Star Resources Limited ("NST") have formed an unincorporated joint venture ("JV") to advance the Company's Central Tanami Project ("CTP").

In accordance with the JV, management of the exploration activities at the Company's CTP have been handed over to NST who will sole fund all JV expenditure including all CTP exploration and evaluation costs, assessment and development costs, mining of the JV tenements and refurbishing the CTP process plant and associated infrastructure, during the Sole Funding Period.

The Sole Funding Period will expire on the date on which the process plant at the CTP has been refurbished to operating condition and has operated for a continuous 30 day period or has produced 5,000 ounces of gold ore (whichever occurs first). On the expiry of the Sole Funding Period, NST will have earned a further 35% undivided interest in the CTP (taking NST's total JV Interest to 60%).

Sale of Northern Star Resources Limited Shares

During the quarter, the Company sold 250,000 shares in NST at an average price of \$5.53 per share receiving approximately \$1.37 million (net of transactions costs).

As at 30 September 2016, the Company has 750,000 NST shares remaining.

Litigation with Metals X Limited

On 23 September 2016, the Company announced that it had reached agreement with Metals X Limited ("MLX") that ends the legal proceedings (the "Proceedings") between the parties. The terms of the settlement were:

- (a) each party provides and receives a full discharge and release from any and all claims in respect of, or arising out of or in connection with the subject matter of the Proceedings;
- (b) each party will no longer pursue its claims against the other;
- (c) the Proceedings will be dismissed on a no admission of liability basis; each party will bear its own legal costs; and
- (d) the Company will (jointly and severally with Tanami (NT) Pty Ltd) make payment to MLX of \$3,000,000.

In reaching this settlement with MLX, the Company has taken into account its legal advice together with the significant costs and inherent uncertainty of litigation, and the substantial time commitments and distraction that the litigation presents for the board and management.

quarterly report

FOR THE PERIOD ENDING
30 Sep 2016



Coyote Plant Agreement with ABM Resources NL

On 14 July 2016, the Coyote Plant Agreement with ABM Resources NL Initial Lease Term expired and on that date, the management and maintenance of Coyote was handed back to the Company. The Company intends to continue with care and maintenance activities for the foreseeable future.

EXPLORATION

Central Tanami Project (75% Tanami)

During the quarter, compilation of all historical exploration and drill hole information progressed with the generation of composite GIS data sets for the entire project area. Field reconnaissance activities have commenced on identified regional targets within the Joint Venture area.

Commencement of planned drilling programs on the Groundrush-Ripcord and Hurricane-Repulse trends is pending completion of statutory approvals for the programs.

Western Tanami Project (100% Tanami)

Aircore drilling commenced over previously defined surface arsenic anomalies at Rabid South and the Nugget Patch. Results from Rabid South are encouraging with intercepts including 1m @ 14.4 g/t and 1m @ 7.5 g/t coinciding with interpreted NW trending structures. Results were less encouraging from drilling at the Nugget Patch even though surface gold has been detected over the area with the best intersection returning 1m @ 2.4 g/t. A general indication of increasing background grades with depth at both prospects suggests the presence of a 20 – 30m depleted surface zone. Fifty-three aircore holes totalling 3,591 metres were completed during July and drilling is set to resume in November 2016 with an RC rig for greater depth. Samples were taken at 3 metre composites and intervals returning greater than 0.4 g/t have been resampled on 1 metre intervals.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Figure 1: Rabid South and Nugget Path Drilling Locations

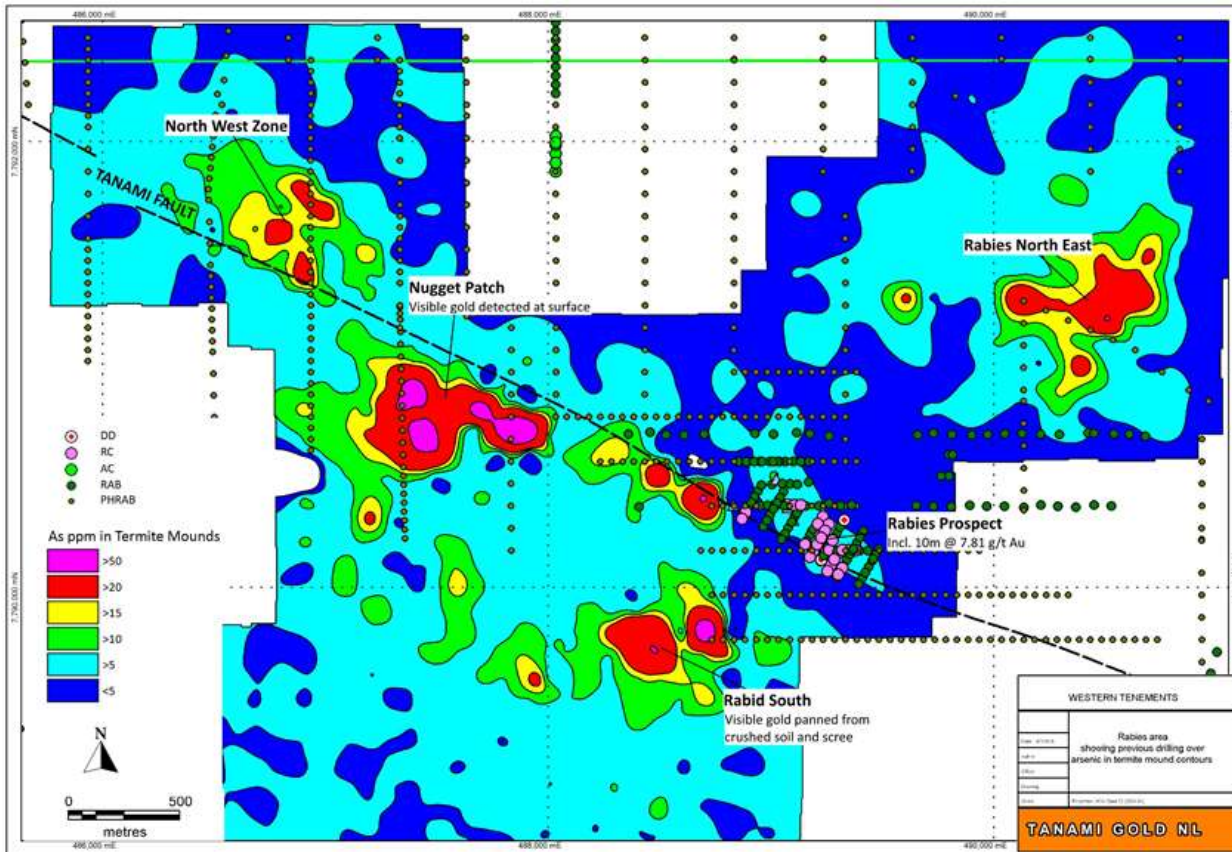
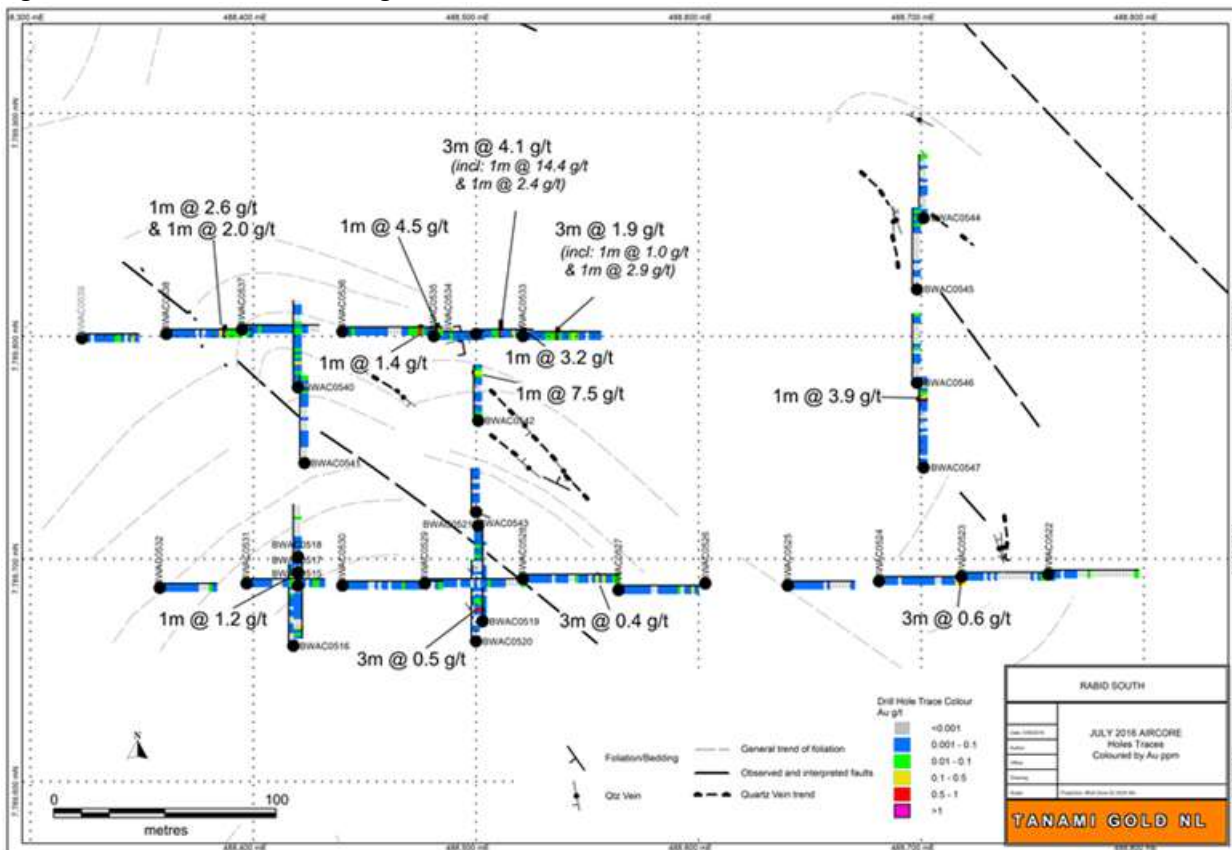


Figure 2: Rabid South Plan Showing Drill Hole Traces



quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Figure 3: Rabid South Drill Section 7789800 North

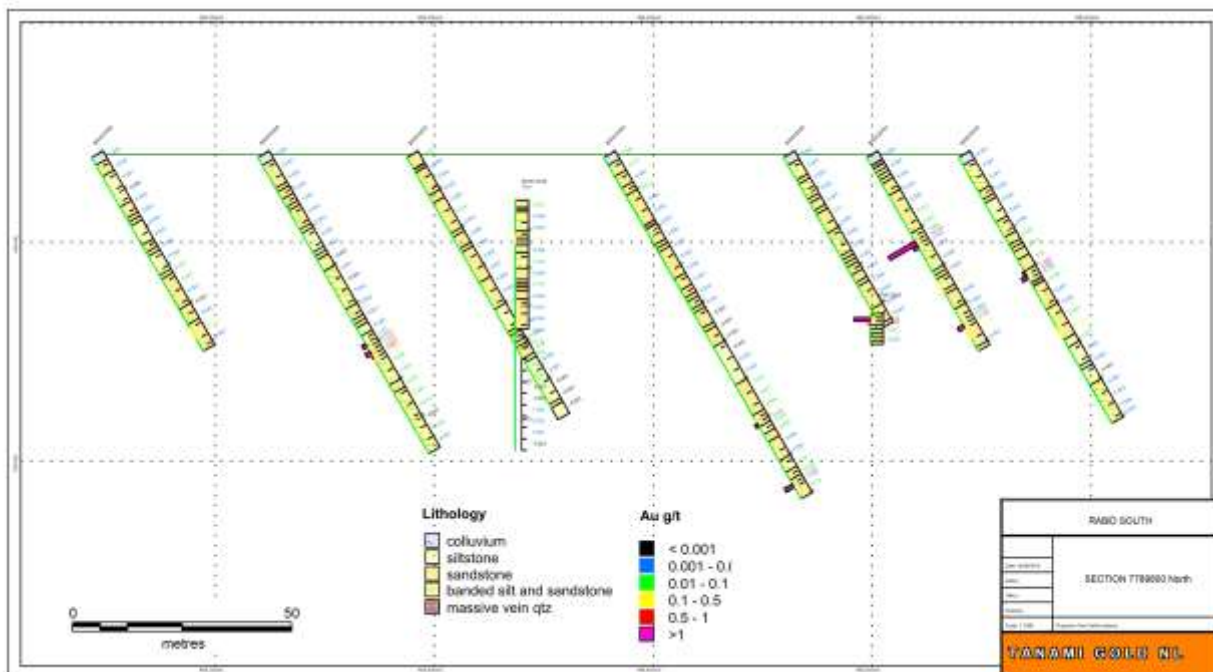
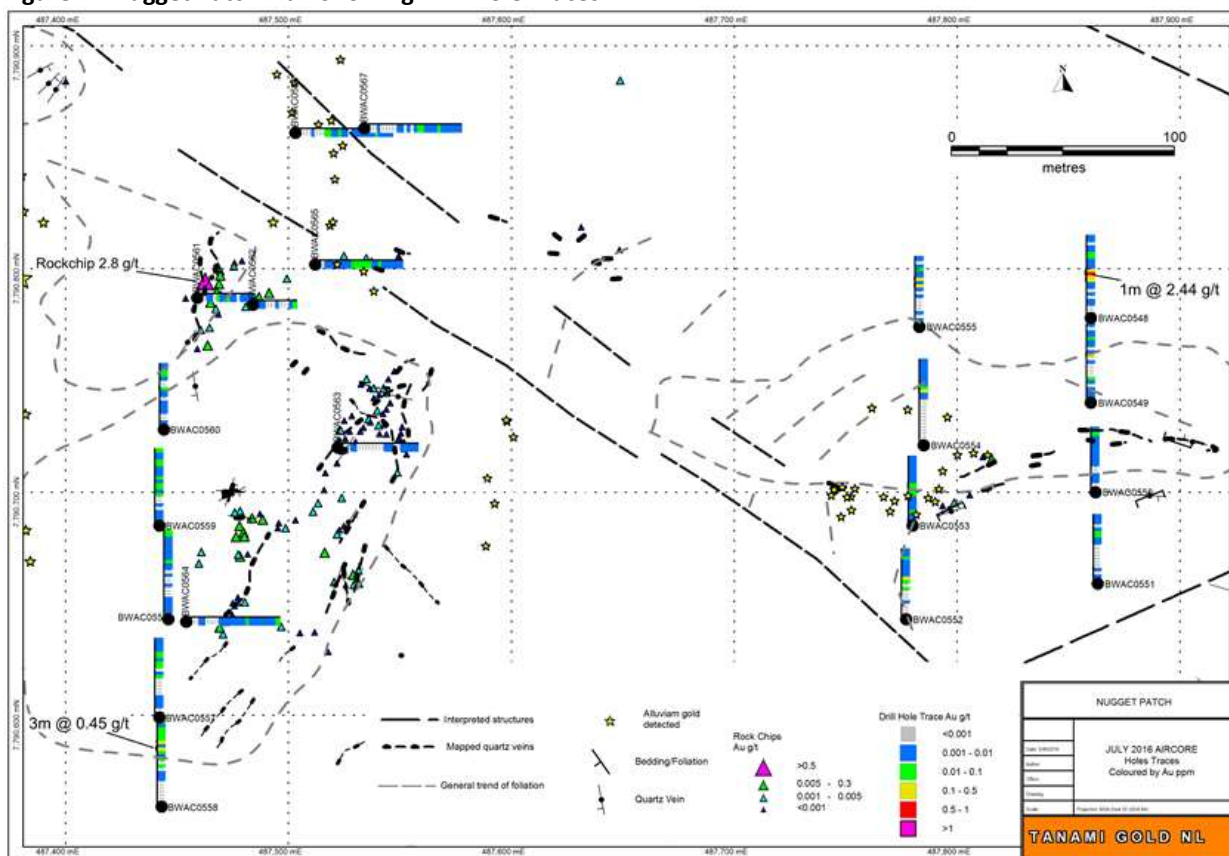


Figure 4: Nugget Patch Plan Showing Drill Hole Traces



quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Table 1: Significant Gold Intercepts

Prospect	Hole ID	Easting	Northing	RL	Total Depth (m)	Azimuth (degrees)	Dip (Degrees)	3m composite (ppm)	1m re-sample (ppm)	From Depth (metres down hole)	
RABID SOUTH	BWAC0516	488418	7789661	425	73	360	-60	3m @ 0.399	1.209 0.057 0.007	60	
	BWAC0521	488501	7789715	428	84	180	-60	3m @ 0.528	0.578 X X	75	
	BWAC0524	488681	7789690	428	78	090	-60	3m @ 0.623	0.007 0.002 0.531	72	
	BWAC0528	488521	7789691	427	87	090	-60	3m @ 0.387	0.212 0.368 0.017	66	
	BWAC0533	488521	7789800	426	70	090	-60	3m @ 1.889	1.006 2.905 0.039	30	
	BWAC0534	488500	7789801	429	51	090	-60	3m @ 4.062	14.427 2.443	0.085	21
								3m @ 0.621	0.004 0.016 3.157	42	
	BWAC0536	488440	7789802	427	90	090	-60	3m @ 0.839	0.13 1.412 0.019	0.019	69
								3m @ 1.566	0.016 4.455	84	
	BWAC0538	488361	7789801	424	78	090	-60	3m @ 247	0.01 2.012 0.039	0.039	48
3m @ 1.819								2.573 0.631 0.298	51		
BWAC0542	488501	7789762	417	50	360	-60	3m @ 0.468	0.11 7.524 0.647	42		
BWAC0547	488701	7789741	422	81	360	-60	3m @ 1.003	0.009 0.032 3.888	60		
NUGGET PATCH	BWAC0548	487860	7790778	417	74	360	-60	3m @ 0.317	X 2.441 0.001	33	
								3m @ 0.549	0.624 0.004 0.392	39	
	BWAC0558	487443	7790559	419	76	360	60	3m @ 0.450	0.006 0.012 0.013	51	
								3m @ 0.228	0.382 0.11 0.011	57	

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Table 2: Rabid South and Nugget Patch Drill Hole Details

(Coordinates and Azimuths are MGA94 zone 52 projections. * signifies a 1m resample, all results are 3 metre composites)

Hole ID	Easting	Northing	RL	Total Depth (m)	Azimuth (degrees)	Dip (Degrees)	Prospect	Best gold grade (ppm)
BWAC0515	488420	7789688	424	73	360	-60	RABID SOUTH	0.023
BWAC0516	488418	7789661	425	73	360	-60	RABID SOUTH	1.209*
BWAC0517	488420	7789694	426	19	000	-90	RABID SOUTH	0.03
BWAC0518	488420	7789701	424	73	180	-60	RABID SOUTH	0.107
BWAC0519	488503	7789672	424	73	360	-60	RABID SOUTH	0.008
BWAC0520	488500	7789663	425	73	360	-60	RABID SOUTH	0.013
BWAC0521	488501	7789715	428	84	180	-60	RABID SOUTH	0.578*
BWAC0522	488757	7789693	428	81	090	-60	RABID SOUTH	0.03
BWAC0523	488718	7789692	428	84	090	-60	RABID SOUTH	0.065
BWAC0524	488681	7789690	428	78	090	-60	RABID SOUTH	0.623
BWAC0525	488640	7789688	424	60	090	-60	RABID SOUTH	0.005
BWAC0526	488603	7789689	426	3	090	-60	RABID SOUTH	0.001
BWAC0527	488564	7789686	424	72	090	-60	RABID SOUTH	0.156
BWAC0528	488521	7789691	427	87	090	-60	RABID SOUTH	0.387
BWAC0529	488477	7789689	425	90	090	-60	RABID SOUTH	0.036
BWAC0530	488440	7789688	423	90	090	-60	RABID SOUTH	0.013
BWAC0531	488397	7789689	422	70	090	-60	RABID SOUTH	0.037
BWAC0532	488358	7789687	422	51	090	-60	RABID SOUTH	0.018
BWAC0533	488521	7789800	426	70	090	-60	RABID SOUTH	2.905*
BWAC0534	488500	7789801	429	51	090	-60	RABID SOUTH	14.427*
BWAC0535	488481	7789800	426	45	090	-60	RABID SOUTH	0.01
BWAC0536	488440	7789802	427	90	090	-60	RABID SOUTH	4.455*
BWAC0537	488395	7789803	425	69	090	-60	RABID SOUTH	0.041
BWAC0538	488361	7789801	424	78	090	-60	RABID SOUTH	2.573*
BWAC0539	488323	7789799	421	51	090	-60	RABID SOUTH	0.153
BWAC0540	488420	7789777	427	78	360	-60	RABID SOUTH	0.105
BWAC0541	488423	7789743	425	78	360	-60	RABID SOUTH	0.025
BWAC0542	488501	7789762	417	50	360	-60	RABID SOUTH	7.524*
BWAC0543	488500	7789721	416	39	360	-60	RABID SOUTH	0.003
BWAC0544	488701	7789853	430	59	360	-60	RABID SOUTH	0.018
BWAC0545	488698	7789821	429	73	360	-60	RABID SOUTH	0.018
BWAC0546	488698	7789779	429	62	360	-60	RABID SOUTH	0.053
BWAC0547	488701	7789741	422	81	360	-60	RABID SOUTH	3.888*
BWAC0548	487860	7790778	417	74	360	-60	NUGGET PATCH	2.441*
BWAC0549	487860	7790740	425	71	360	-60	NUGGET PATCH	0.114
BWAC0550	487862	7790700	421	58	360	-60	NUGGET PATCH	0.083
BWAC0551	487863	7790659	420	62	360	-60	NUGGET PATCH	0.077
BWAC0552	487777	7790643	421	63	360	-60	NUGGET PATCH	0.112
BWAC0553	487780	7790685	426	62	360	-60	NUGGET PATCH	0.088
BWAC0554	487785	7790721	422	77	360	-60	NUGGET PATCH	0.169
BWAC0555	487783	7790774	427	63	360	-60	NUGGET PATCH	0.16
BWAC0556	487446	7790643	413	80	360	-60	NUGGET PATCH	0.023

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

BWAC0557	487442	7790599	420	71	360	-60	NUGGET PATCH	0.059
BWAC0558	487443	7790559	419	76	360	-60	NUGGET PATCH	0.45
BWAC0559	487442	7790685	419	69	360	-60	NUGGET PATCH	0.037
BWAC0560	487444	7790728	428	59	360	-60	NUGGET PATCH	0.025
BWAC0561	487459	7790787	421	51	090	-60	NUGGET PATCH	0.04
BWAC0562	487484	7790784	412	39	091	-60	NUGGET PATCH	0.016
BWAC0563	487522	7790720	422	72	092	-60	NUGGET PATCH	0.006
BWAC0564	487454	7790642	420	84	093	-60	NUGGET PATCH	0.065
BWAC0565	487512	7790802	421	78	094	-60	NUGGET PATCH	0.066
BWAC0566	487503	7790861	416	87	095	-60	NUGGET PATCH	0.027
BWAC0567	487534	7790863	444	87	096	-60	NUGGET PATCH	0.02

JORC Code, 2012 Edition – July 2016 Aircore Drilling

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Aircore (AC) drilling was undertaken in July 2016 to test 2 surface geochemical anomalies. 33 holes were drilled to an average depth of 80 metres, for 2220 metres. Holes varied in depth from 3 metres to a maximum of 91 metres. • One metre AC piles were placed on the ground, which were collected via a scoop and composited as 3 metre samples to produce an approximate 1.5 kg composite sample. Composite samples that returned results greater than 0.4 ppm gold were re-sampled on 1 metre intervals Samples were dried, pulverised to -75 µm and split to produce a nominal 200-gram sub sample. Gold only was analysed using a 25g lead collection fire assay. Multi-element data was collected at the rig during drilling using a portable XRF instrument for each composite sample. Magnetic susceptibility was recorded for each composite sample
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> A custom built 900cfm X 350psi AC rig operated by Geo Drilling Pty Ltd was used to drill and collect the samples. The face sampling AC bit has a 3" diameter with sample return through an inner tube reducing potential for sample contamination.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sample recovery was estimated by observing the relative size of piles of drill spoils placed on ground. One pile for every metre of drilling depth. Sample quality was recorded during logging, ie whether the sample was wet or dry.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All geological and sampling data was captured digitally using LogChief software and synchronised directly into an SQL DataShed database. Geological information was logged on 1 metre intervals using Tanami Gold coding system and included rock type, regolith, weathering, mineralisation and veining. Magnetic susceptibility and portable XRF readings were measured on each 3metre sample composite and also

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Criteria	JORC Code explanation	Commentary
		<p>synchronised directly into the DataShed SQL database.</p> <ul style="list-style-type: none"> 100% of each hole was logged and sampled. Representative chips of each hole were collected in chips trays for future reference
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> One-metre drill samples were laid out on the ground in 10 or 15m rows and three-metre composite samples of approximately 1.5kg collected using an aluminium scoop into pre-numbered calico bags. Over 95% of the samples were dry. A duplicate composite sample was taken at a ratio of in 50 Samples were sent to Intertek Laboratory in Perth for sample preparation and analysis. Samples were dried and pulverized to 85% passing 75µm and a sub-sample of approx. 200g retained. 25g was used for analysis For exploration drilling the sample size is considered appropriate to give an indication of mineralisation. Composite samples that returned results greater than 0.5ppm were re-assayed at 1metre intervals.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Laboratory procedure was by a 25g lead collection fire assay in new pots and analysed by ICPMS. Fire assay is considered a total digest and was selected for the larger subsample used to mitigate against coarse gold bias. No geophysical or handheld XRF results are reported. Certified Reference material (standards) were inserted at a ratio of 1 in 50 samples Blank gravel was inserted at a ratio of 1 in 50 samples Laboratory internal QAQC involves the use of certified reference material and blanks. All QAQC samples (field duplicates, Standards, Blanks and internal Lab QAQC) returned acceptable levels of accuracy and precision. N re-assaying due to failed QAQC protocols was required.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Significant intercepts reported are low grade exploration only and have not been verified by independent or alternative company personnel No twinned holes were completed Primary geological data was digitally collected at the source using LogChief software and directly synchronised into an SQL database. The software requires strict adherence to geological codes and data integrity with no subsequent manipulation required. Date and identity of geologist are recorded automatically with each interval logged. Assay data was imported into the SQL database through DataShed software. No manual manipulation of the data was required. Assay QAQC data was monitored using QAQCReporter software to check for compliance with QAQC protocols. No manipulation was required.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Hole collars were located using a Garmin handheld GPS with accuracy of ±5m All holes were drilled at an inclination of -60° measured with a clinometer at the collar. The azimuth of all holes was aligned using a handheld Sunto compass All coordinates are in MGA94, Zone 52. Handheld GPS and sighting instruments are considered adequate for exploration ac holes.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The drilling program was designed to test surface geochemical anomalies. Forty metre spaced holes angled at 60 degrees to a depth of 80m should form an overlapping fence. This drilling is not used for resource estimation, but as first pass investigation of surface geochemical anomalies. Samples were composited on 3m intervals.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drill lines were designed to be perpendicular to surface geochemical anomalies. Angle holes were drilled to attempt to intercept narrow steeply dipping veins. As this drilling was a first pass investigation it is not known with any certainty what the orientation of controlling mineralised structures or veins are. Consequently, the introduction of a sampling bias is not known
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Drill samples were collected in pre-numbered calico bags and placed in polyweave bags at the drill rig which were then wired shut. Polyweave bags were then placed in a bulka bag at the Coyote Mine site and transported to Intertek laboratory in Perth via commercial truck transport using standard chain of custody procedure
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews of sampling techniques or data have been undertaken.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Western Tanami Project currently consists of the following granted tenements: M80/559, M80/560, M80/561, M80/563, E80/1481, E80/1483, E80/3665, E80/1737, E80/3388, E80/3389. All tenements are held 100% in the name of Tanami Gold or Tanami Exploration. Extension of Terms will be due for all exploration licenses in 2017
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Much of the tenement area was held by Acacia and subsequently Anglo Gold, before being purchased by Tanami Gold in 2003. Anglo Gold undertook thousands of surface samples and shallow Auger/post-hole/RAB drilling identifying a number of mineralised targets (including Coyote) which were subsequently tested by AC, RC and diamond drilling
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Gold mineralisation at the Coyote deposit occurs within structurally controlled quartz veins within palaeoproterozoic turbiditic sediments. Drilling of other mineralisation found elsewhere within the tenements suggest mineralisation of a similar style
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 	<ul style="list-style-type: none"> Drill holes returning significant results are listed in Table 1. All AC drill holes including those with no significant results are listed in Table 2.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Intercepts reported are on composited lengths of drill samples Intercepts reported on >0.1g/t Au No metal equivalents reported
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> All intercepts reported as down-hole length as true widths are not known
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Collar locations and surface drill trace projections are shown on Figures 1. A relevant cross section of the most significant result is shown on Figure 2.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Significant gold results are reported in table 1
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> This drilling programme tested surface geochemical anomalies determined by portableXRF methods are reported previously by Tanami Gold.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Further testing of targets by reverse circulation drilling is being planned

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

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 ¹⁰	6,730	3	648	9,491	3	954	9,279	3	1,022	25,500	3	2,625
Sub Total	7,212	3.0	692	10,570	3.4	1,162	10,725	3.7	1,293	28,431	3.4	3,148
CTP Stockpile ¹⁰	1,700	0.9	48	-	-	-	-	-	-	1,700	0.9	48
Total	8,912	2.6	740	10,570	3.4	1,162	10,725	3.7	1,293	30,131	3.3	3,196

Notes to accompany Table 1

- 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.
- 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 5.0g/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 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.
- The dates referred to in this table titles (30th April 2014) represent the date of the most recent update of a Resource within this table.
- Within the WTP stated Figures is the Kavanagh Resource that is compliant to the JORC Code 2012, all other Resources were prepared and first disclosed under the JORC Code 2004 and have 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.
- On 4th of August 2015, an unincorporated joint venture was formed between the Company and Northern Star Resources Limited who purchased an initial 25% interest in the Company's Central Tanami Project ("CTP"). At the time of this report, the Company retains a 75% interest in the CTP Resources stated in this table.

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	15/04/16	15
E80/1737	Camel Hump	22/03/94	21/03/16	28
E80/3388	Olive	15/05/06	14/05/16	35
E80/3389	Popeye	15/05/06	14/05/16	35
E80/3665	Border	19/10/07	18/10/17	17
E80/5039A	New Southside	11/08/16	Application	18
P80/1480A	Gap South	11/08/16	Application	103 hectares
P80/1481A	Gap North	11/08/16	Application	49 hectares
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	Bald Hill 2	02/12/05	01/12/26	978 hectares

WESTERN AUSTRALIA TOTAL

583 km²

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Table 3: Schedule of Mineral Tenements - Northern Territory

NORTHERN TERRITORY				
CENTRAL TANAMI (TGNL 75%)	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 km²

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2016

Competent Person Statement

The information in this report that relates to all Mineral Resources other than the Kavanagh April 2014 Resource 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 Kavanagh April 2014 Mineral Resource, 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.

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 Dr Joanna Pearson of Odyssey Directions Pty Ltd. Dr Pearson 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 she 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". Dr Pearson 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, 01/05/13, 01/09/16

Name of entity

Tanami Gold NL

ABN

51 000 617 176

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	83	83
1.2 Payments for		
(a) exploration & evaluation	(312)	(312)
(b) development	-	-
(c) care and maintenance ¹	(336)	(336)
(d) staff costs ²	-	-
(e) administration and corporate costs	(223)	(223)
1.3 Dividends received	-	-
1.4 Interest received	16	16
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
Other – Settlement of MLX Litigation	(3,000)	(3,000)
1.9 Net cash from / (used in) operating activities	(3,772)	(3,772)

¹On 14 July 2016, the Coyote gold plant and associated infrastructure passed back to the Company who resumed care and maintenance activities.

²Roles within the Company are performed by either Consultants or Contractors, these costs are captured in 1.2(e)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments ³	1,375	1,375
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	1,375	1,375

³During the quarter, the Company sold 250,000 shares in NST at an average price of \$5.53 per share receiving approximately \$1.37 million (net of costs).

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	9,180	9,180
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,772)	(3,772)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	1,375	1,375
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,783	6,783

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	83	9,180
5.2	Call deposits ⁴	7,000	
5.3	Bank overdrafts		
5.4	Other (Temporary Excess Funding) ⁵	(300)	
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,783	9,180

^{4,5}At the time the MLX Deed and Settlement of Release was signed, the Company had its surplus funds invested in a Term Deposit maturing on 5 October 2016. As a result, unsecured temporary excess funding was provided by the Company's Bankers to assist with making the \$3 million settlement payment on 22 September 2016. Subsequent to quarter end, the temporary excess funding was repaid.

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
71

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (Temporary Excess Funding)	300	300
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

At the time the MLX Deed and Settlement of Release was signed, the Company had its surplus funds invested in a Term Deposit maturing on 5 October 2016. As a result, unsecured temporary excess funding was provided by the Company's Bankers to assist with making the \$3 million settlement payment on 22 September 2016. Subsequent to quarter end, the temporary excess funding was repaid.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	-
9.3 Care and maintenance	150
9.4 Staff costs	-
9.5 Administration and corporate costs	502
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	952

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Daniel Broughton
Chief Financial Officer
27 October 2016

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.