

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

TANAMI GOLD NL

ABN

51 000 617 176

Quarter ended ("current quarter")

31 December 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	13,411	28,546
1.2 Payments for (a) exploration and evaluation	(1,023)	(1,286)
(b) development	(2,752)	(5,676)
(c) production	(10,695)	(20,603)
(d) administration	(629)	(1,493)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	30	51
1.5 Interest and other costs of finance paid	(48)	(273)
1.6 Income taxes received	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,706)	(734)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(234)	(280)
1.9 Proceeds from sale of:		
(a) prospects	1,500	1,500
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid from other entities	-	-
1.12 Other – Payment for security bonds	-	-
Net investing cash flows	1,266	1,220
1.13 Total operating and investing cash flows (carried forward)	(440)	486

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(440)	486
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	3,000	3,000
1.17	Repayment of borrowings	-	(45)
1.18	Dividends paid	-	-
1.19	Other – placement costs	-	-
Net financing cash flows		3,000	2,955
Net increase (decrease) in cash held		2,560	3,441
1.20	Cash at beginning of quarter/year to date	2,038	1,157
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,598⁽¹⁾	4,598⁽¹⁾

¹As at 31 December 2009, Tanami Gold NL had total cash and gold in-transit of \$5.363 million and gold in circuit of \$1.025 million for a total of \$6.388 million.

Payments to directors of the entity and associates of the directors

Payments to 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	(124)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' base remuneration	(124)
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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

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	10,783 ⁽²⁾	8,994
3.2 Credit standby arrangements	N/A	N/A

² On 17 September 2008, Tanami Gold NL announced that it had entered into two loan agreements with Hong Kong based AP Finance Limited for a total of HK\$ 49.5 million. These loans were due for repayment on 30 September 2009; however Tanami Gold NL and AP Finance Limited agreed to increase Tanami Gold NL's total loan facilities from HK\$ 49.5 million to HK\$ 75 million upon expiry of the initial loan period to assist with funding of the current exploration program. Total loan facilities available were therefore AUD 10.783 million as at 31 December 2009 and total funds drawn down were AUD 8.994 million (HK\$ 62.5 million).

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,481
4.2 Development	2,294
Total	3,775

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	4,598 ⁽³⁾	2,038
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,598⁽³⁾	2,038

³As at 31 December 2009, Tanami Gold NL had total cash and gold in-transit of \$5.363 million and gold in circuit of \$1.025 million for a total of \$6.388 million.

Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interest in mining tenements relinquished, reduced or lapsed.	<p>Reduction in area by Compulsory/Voluntary Partial Surrender</p> <p>Nil</p> <p>Outright Surrender</p> <p>Nil</p> <p>Expiry</p> <p>Nil</p>		

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Appendix 5B
Mining exploration entity quarterly report

	<u>Withdrawal</u>		
SEL22156	475 Blocks (1520 km ²)	100%	NIL
EL27478	37 Blocks (118 km ²)	100%	NIL
EL27656	5 Blocks (16 km ²)	100%	NIL
	<u>Sale</u>		
EL5888	33 Blocks (107 km ²)	100%	NIL
EL5889	27 Blocks (88 km ²)	100%	NIL
EL8434	19 Blocks (61 km ²)	80%	NIL
EL8695	433 Blocks (1386 km ²)	100%	NIL
EL8696	76 Blocks (243 km ²)	100%	NIL
EL8697	28 Blocks (90 km ²)	100%	NIL
EL8762	100 Blocks (320 km ²)	100%	NIL
EL8809	15 Blocks (48 km ²)	100%	NIL
EL8824	28 Blocks (90 km ²)	100%	NIL
EL8845	5 Blocks (16 km ²)	100%	NIL
EL8848	58 Blocks (186 km ²)	100%	NIL
EL9295	5 Blocks (16 km ²)	100%	NIL
EL9343	42 Blocks (134 km ²)	100%	NIL
EL9442	72 Blocks (230 km ²)	100%	NIL
EL9449	48 Blocks (154 km ²)	100%	NIL
EL9474	5 Blocks (16 km ²)	100%	NIL
EL9529	16 Blocks (51 km ²)	5%	NIL
EL9616	3 Blocks (10 km ²)	100%	NIL
EL10139	27 Blocks (86 km ²)	100%	NIL
EL10305	26 Blocks (83 km ²)	100%	NIL
EL10306	109 Blocks (349 km ²)	100%	NIL
EL22554	445 Blocks (1382 km ²)	100%	NIL
EL22555	493 Blocks (1570 km ²)	100%	NIL
EL22759	5 Blocks (16 km ²)	5%	NIL
EL22924	68 Blocks (218 km ²)	100%	NIL
EL23523	120 Blocks (384 km ²)	100%	NIL
EL23888	56 Blocks (179 km ²)	100%	NIL
EL23898	125 Blocks (400 km ²)	100%	NIL
EL23926	487 Blocks (1546 km ²)	100%	NIL
EL23927	482 Blocks (1524 km ²)	100%	NIL
EL24299	64 Blocks (205 km ²)	100%	NIL
EL24454	116 Blocks (371 km ²)	100%	NIL
EL24473	60 Blocks (192 km ²)	100%	NIL
EL24492	249 Blocks (797 km ²)	100%	NIL
EL24567	45 Blocks (144 km ²)	100%	NIL
EL24858	85 Blocks (272 km ²)	100%	NIL
EL24915	164 Blocks (525 km ²)	100%	NIL
EL24949	448 Blocks (1434 km ²)	100%	NIL
EL25191	83 Blocks (266 km ²)	100%	NIL
EL25192	110 Blocks (352 km ²)	100%	NIL
EL25194	34 Blocks (109 km ²)	100%	NIL
EL25630	373 Blocks (1194 km ²)	100%	NIL
EL25632	264 Blocks (845 km ²)	100%	NIL
EL25844	16 Blocks (51 km ²)	100%	NIL
EL25845	118 Blocks (378 km ²)	100%	NIL
EL25866	172 Blocks (550 km ²)	100%	NIL
EL26590	9 Blocks (29 km ²)	100%	NIL
EL26591	10 Blocks (32 km ²)	100%	NIL
EL26592	4 Blocks (13 km ²)	100%	NIL
EL26593	58 Blocks (186 km ²)	100%	NIL
EL26608	1 Block (3 km ²)	100%	NIL

+ See chapter 19 for defined terms.

6.2	Interest in mining tenements acquired or increased	EL26609	5 Blocks (16 km ²)	100%	NIL	
		EL26610	1 Block (3 km ²)	100%	NIL	
		EL26613	298 Blocks (954 km ²)	100%	NIL	
		EL26615	30 Blocks (96 km ²)	100%	NIL	
		EL26616	78 Blocks (250 km ²)	100%	NIL	
		EL26618	16 Blocks (51 km ²)	100%	NIL	
		EL26619	12 Blocks (38 km ²)	100%	NIL	
		EL26620	34 Blocks (109 km ²)	100%	NIL	
		EL26621	10 Blocks (32 km ²)	100%	NIL	
		EL26622	6 Blocks (19 km ²)	100%	NIL	
		EL26623	23 Blocks (80 km ²)	100%	NIL	
		EL26673	6 Blocks (19 km ²)	100%	NIL	
		EL26903	74 Blocks (200 km ²)	100%	NIL	
		EL27124	54 Blocks (173 km ²)	100%	NIL	
		EL27125	8 Blocks (26 km ²)	100%	NIL	
		EL27126	21 Blocks (67 km ²)	100%	NIL	
		EL27127	9 Blocks (29 km ²)	100%	NIL	
		EL27339	11 Blocks (35 km ²)	100%	NIL	
		EL27378	21 Blocks (67 km ²)	100%	NIL	
		EL27566	75 Blocks (240 km ²)	100%	NIL	
		EL27570	17 Blocks (54 km ²)	100%	NIL	
		EL27604	108 Blocks (346 km ²)	100%	NIL	
		EL27705	42 Blocks (134 km ²)	100%	NIL	
		EL27780	220 Blocks (704 km ²)	100%	NIL	
		EL27894	500 Blocks (1600 km ²)	100%	NIL	
				Application for Exploration Licence		
			EL27705	42 Blocks (134 km ²)	NIL	100%
			EL27780	220 Blocks (704 km ²)	NIL	100%
			EL27894	500 Blocks (1600 km ²)	NIL	100%

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)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	⁺ Ordinary securities TAM	3,538,390,059	3,538,390,059		

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Appendix 5B
Mining exploration entity quarterly report

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (<i>description</i>)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (<i>description and conversion factor</i>)			<i>Exercise price</i>	<i>Expiry date</i>
	Unlisted	950,000	-	15 cents	31/03/12
	Unlisted	1,750,000	-	15 cents	22/11/12
	Unlisted	1,750,000	-	20 cents	22/11/12
	Unlisted	21,000,000	-	1.3 cents	28/02/14
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter				
	Unlisted	15,000,000	-	22.5 cents	20/10/09
	Unlisted	450,000	-	22.5 cents	22/11/09
	Unlisted	900,000	-	18 cents	22/11/09
	Unlisted	200,000	-	15 cents	04/11/09
	Unlisted	1,000,000	-	1.3 cents	04/11/09
7.11	Debentures (<i>totals only</i>)				
7.12	Unsecured notes (<i>totals only</i>)				

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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 4).
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: **29 January 2010**
Managing Director/CEO

Print name: Graeme Sloan

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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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