



31 March 2010

TANAMI GOLD NL COMPLETES LANDMARK NEWMONT DEAL

\$22M CENTRAL TANAMI ACQUISITION PROVIDES IMPETUS TO GROW PRODUCTION TO +200,000ozs PER ANNUM WITHIN TWO YEARS

Highlights:

- Acquisition includes **516,000oz Resource inventory** (last optimised in 2001), **1.2Mtpa treatment plant and extensive infrastructure**
- Up to **four priority areas** already identified with potential to add **significant new resources**
- **Reserve and Resource definition drilling** scheduled to commence in **April 2010**
- **Scoping Study well underway** targeting re-start of **gold production within 18-24 months**
- Completion of **parallel acquisition by ABM Resources NL** provides Tanami Gold NL leverage into the largest exploration ground package in the Tanami-Arunta Province (+30,000 sq km)

Australian gold producer Tanami Gold NL (ASX: **TAM**) is pleased to advise that it has finalised the **\$22 million acquisition** of the **Central Tanami Gold Project** (previously the Groundrush Gold Project) from Newmont Mining Corporation. The acquisition is viewed by the Company as a key milestone in its growth strategy to becoming a 200,000oz per annum mid-tier gold producer within two years.

The Company executed formal documentation with Newmont Asia Pacific 30 March 2010 after satisfying all key conditions of the acquisition agreement. This included receipt of Newmont Board approval (*ASX Announcement – 3 March 2010*) and finalisation of a \$37 million loan agreement to underpin the transaction (*ASX Announcement – 25 March 2010*).

The Central Tanami Gold Project – which is located some 130km east of Tanami Gold's Western Tanami Operations (currently producing 50,000oz per annum) – includes

- a JORC Code compliant Resource of 516,000oz [see *Table 1.0*];
- the 1.2Mtpa Central Tanami treatment plant and extensive support infrastructure including office, workshops, airstrip, 140-person accommodation village, borefield and communication facilities;
- a world-class 2,000km² exploration package comprising 21 Mineral Leases and 16 Exploration Licences; and
- 2.1Moz historic production endowment within the Central Tanami Gold Project Mining Lease area.

Tanami Gold NL is well advanced with a detailed review of all past work within the project area, including an update of the existing Resource inventory – which was last optimised in 2001 using a A\$525-750/oz gold price.

This work has already identified **at least four priority areas** with potential for early production and the definition of additional Resources, including the Carbine deposit (located just 5km from the treatment facility), Gallifrey, Pendragon West and Pendragon East.

An intensive program of Resource and Reserve definition drilling is scheduled to commence in April 2010 at several high priority prospects adjacent or close to the Central Tanami treatment plant. This work will continue in parallel with the current Scoping Study which is targeting the refurbishment and recommissioning of the 1.2Mtpa Central Tanami mill as the basis for a substantial new production centre for the Company.

Tanami Gold NL is also pleased to note the completion of the parallel transaction between Newmont Asia Pacific and its exploration alliance partner, ABM Resources NL [Tanami Gold NL holds 21.6% of ABM Resources NL]. With Tanami Gold NL's expanded tenement position and its shareholding in ABM Resources NL, the Company now has exposure to over 30,000 square kilometres [see Figure 1] in the highly prospective Tanami-Arunta Province.

The Company's Managing Director, Mr Graeme Sloan, said the completion of the acquisition marked a defining moment for Tanami Gold NL:

"We are very pleased to have achieved this important milestone, which opens up a major new chapter in the Company's history.

"We are confident that this acquisition will add enormous value for shareholders, creating a platform to drive our production from the current level of around 50,000 ounces to over 200,000 ounces per annum within the next 18-24 months.

"The work we have already undertaken at the Central Tanami has fully vindicated our decision to acquire the Project, highlighting the enormous upside potential both within and near known deposits and existing open pits.

"We expect to be in a position to re-optimize and restate the JORC resource inventory using current gold prices during the June 2010 Quarter. This will provide the platform for our Scoping and Feasibility Studies which is targeting a rapid restart of production in the Central Tanami by next year."

The 21 Mineral Leases included in the acquisition [covering a total area of 125km²] contain 43 open pits ranging in depth from 40 metres to 120 metres and include the large Groundrush open pit, which was mined from 2001 to 2005 producing in excess of 600,000 ounces of gold at an average grade of 4.3 grams per tonne, and the Hurricane-Repulse open pit which produced in excess of 250,000 ounces.

In all, between 1987 and 2005, approximately 2.1 million ounces have been mined from the Central Tanami Gold Project area. When combined with the +10 million ounces endowment of the Callie-Granites production centres, which occurs within a geologically similar host sequence, the Central Tanami project area lies within one of the most productive and prospective gold mining regions in Australia.

Graeme Sloan
Managing Director/CEO

Table 1.0 – Central Tanami Gold Project Mineral Resources as at October 2001

| Deposit | Measured | | Indicated | | Inferred | | Total | | Ounces |
|----------------|------------------|-------------|------------------|-------------|----------------|-------------|------------------|-------------|----------------|
| | Tonnes | Grade (g/t) | Tonnes | Grade (g/t) | Tonnes | Grade (g/t) | Tonnes | Grade (g/t) | |
| Dogbolter Area | 366,000 | 3.8 | 151,000 | 3.5 | 6,000 | 2.4 | 523,000 | 3.7 | 62,000 |
| Redback Area | 615,000 | 3.4 | 578,000 | 5.4 | 110,000 | 5.8 | 1,303,000 | 4.5 | 188,000 |
| Jims Area | 242,000 | 2.6 | 17,000 | 2.6 | 23,000 | 2.2 | 282,000 | 2.5 | 23,000 |
| MLS119-133 | 198,000 | 2.2 | 212,000 | 2.4 | 13,000 | 2.4 | 423,000 | 2.3 | 31,000 |
| MLS153 | 75,000 | 2.2 | 151,000 | 2.7 | 35,000 | 2.9 | 261,000 | 2.6 | 22,000 |
| Molech | 312,000 | 3.8 | 190,000 | 3.6 | 32,000 | 3.1 | 534,000 | 3.7 | 63,000 |
| Crusade | | | 1,020,000 | 2.7 | | | 1,020,000 | 2.7 | 89,000 |
| LG Stockpiles | 1,515,000 | 0.8 | | | | | 1,515,000 | 0.8 | 38,000 |
| Total | 3,323,000 | 2.2 | 2,319,000 | 3.5 | 219,000 | 4.3 | 5,861,000 | 2.7 | 516,000 |

The information in this report pertaining to Mineral Resources was compiled by Mr Bill Makar (MAusIMM), former Chief Mine Geologist for Otter Gold Mines Limited Tanami Mine Joint Venture. Mr Makar 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 Makar has provided written consent to Tanami Gold NL for the inclusion in the report of the matters based on his information in the form and context in which they appear.

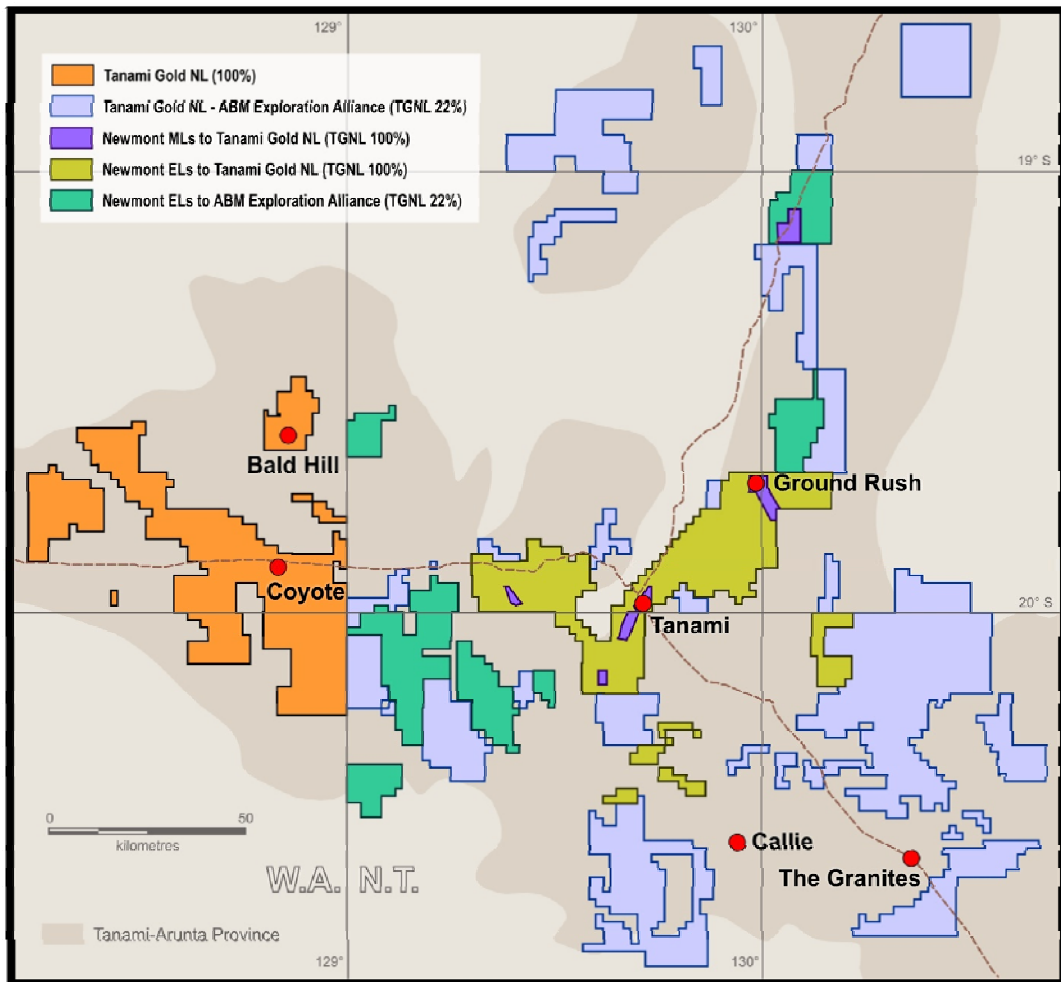


Figure 1 – Tenement Position Post Transaction