



COMPANY ENQUIRIES
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EXPLORATION UPDATE

DRILLING CONFIRMS AND EXTENDS HIGHGRADE GOLD ZONES AT BOTH COYOTE MINE AND GROUNDROUSH DEPOSIT

HIGHLIGHTS

COYOTE GOLD MINE

- Exploration drilling underground produces very high gold grades
 - 0.3m @ 428g/t
 - 0.3m @ 379g/t
 - 0.3m @ 316g/t
- Ore drive development well positioned to plan access to new zones of mineralisation

GROUNDROUSH

- Second drill rig arrives targeting footwall zone and produces high grade results including:
 - 3m @ 32.1g/t from 48m
 - 3m @ 32.2g/t from 121m
 - Free gold panned from all 6 holes drilled to date. Additional assays pending
- High-grade footwall gold zone should ultimately increase Mineral Resource
- Ongoing drilling on the main lode continues to produce pleasing results including:
 - 0.45m @ 1,230g/t from 264.3m (Hanging-wall lode)

Note: Details of all holes drilled are shown at the end of this report.

Australian gold producer Tanami Gold NL (ASX: TAM – ‘Tanami’ or ‘the Company’) is pleased to announce continued exploration success at the 100% owned Coyote Gold Mine and 100% owned Groundrush deposit.

Tanami’s Deputy Chairman, Denis Waddell said, “We are pleased to see further high grades being intersected at Coyote and Groundrush which demonstrate the potential of both our key assets. We are committed to extracting maximum value out of these deposits. Currently, we have two underground diamond rigs drilling at Coyote, and two surface rigs drilling at Groundrush. We will release further results as they are to hand.”

COYOTE UPDATE

Recent exploration drilling has focused on the western end of the deposit, with particular attention being paid to the West Zone lode surface. The results returned to date have been pleasing, and confirm the potential to expand the Mineral Resource base down plunge and open up this area to mining. Strike drive development has pushed into the central core and it is well placed to take advantage of the opportunity these high gold grades present. Additional mine planning is underway which is designed to allow the mine to fully exploit the zone of mineralisation.

Additional exploration drilling continues on the down plunge extents of the main Gonzales lode and the Bommie lode toward the bottom of the mine. All three lodes are open in multiple directions. The Company is also undertaking a strategic review of other exploration opportunities that are present in and around the mine. The Company remains committed to this producing asset and is actively studying means of improving its performance.

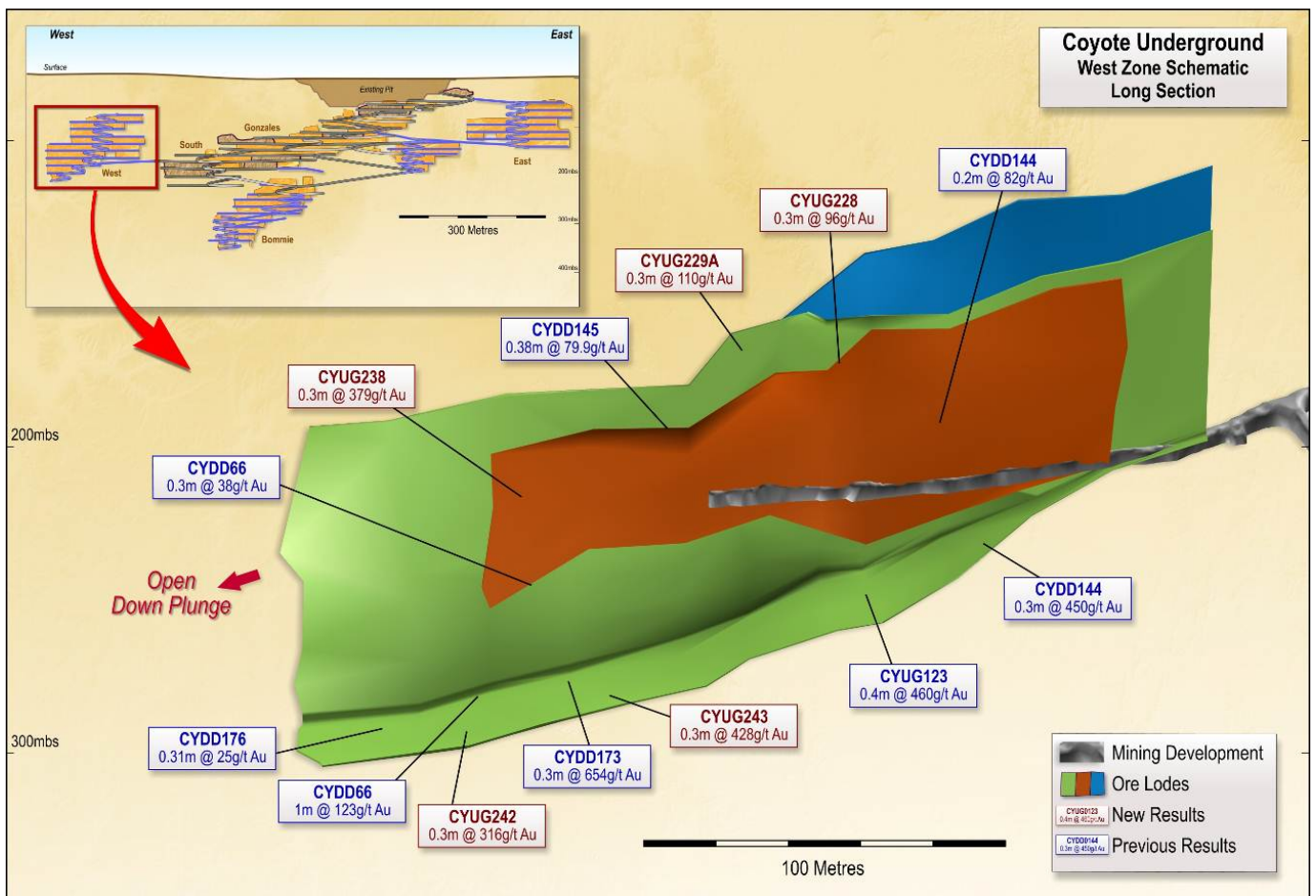


Figure 1: Coyote Underground Schematic Long Section – West Zone showing high grade drilling intersections

Work has commenced on determining the significance of these results and their positive impact on the available Mineral Resource. The Company is directing efforts into improving its knowledge of the Mineral Resource and to develop better short and long term mine planning directed towards increasing efficiency and production.

See below (Table 1) for additional drilling results and details of the significant drilling intersections.

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GROUND RUSH UPDATE

A second drill rig has recently arrived on site. Drilling initially targeted an interpreted footwall lode. Results returned to date are pleasing and are indicative of the potential of the footwall lodes. The mineralisation is quartz vein hosted, and panning of the samples has resulted in free gold being observed in all six holes drilled to date. Assay results remain pending for four of the holes drilled to date. (see Figure 2).

The Company's geological team is of the view that that the recent drilling should ultimately increase the Mineral Resource currently defined at the Groundrush deposit.

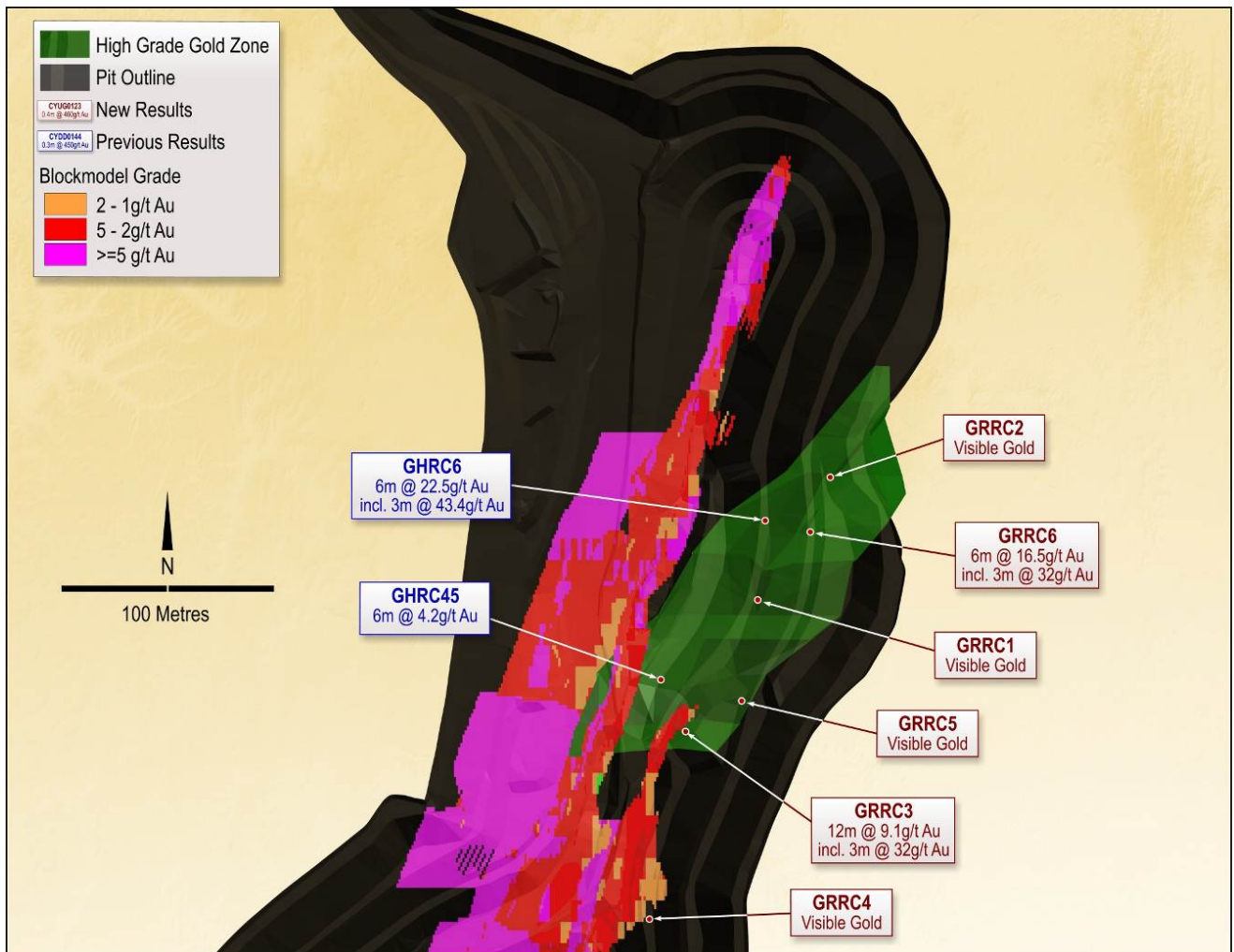


Figure 2: Groundrush Plan View – showing north end of open pit and footwall zone sitting immediately below the open pit.

Drilling on the main lode continues, with recent efforts directed toward Mineral Resource infill and down dip extensions of previously announced high grade drill hole intersections which remain open. This drilling continues to identify strong mineralisation trends and indicates the mineralised system remains strong at depth.

See below (Table 2) for additional results and details of the significant drilling intersections.

Denis Waddell
Deputy Chairman

Tanami Gold NL Overview

Tanami Gold NL is a Perth-based gold exploration and production company.

The Company is in production at its Western Tanami Operations, which comprises two mining centres, the Coyote underground mine and the Bald Hill open pit operations, both of which feed into the centrally located 350,000 tonnes per annum Western Tanami treatment facility.

In March 2010, the Company acquired the Central Tanami Project from Newmont Asia Pacific. The Central Tanami Project has been the subject of a Feasibility Study which was expected to be completed in the December 2011 Quarter. However, the new Board has taken the view that further exploration drilling should be completed to more thoroughly define the Mineral Resource as well as other work being carried out before a final Feasibility Study is completed. An extensive drill program is currently underway at the Central Tanami Project with the main focus being Mineral Resource delineation at the Groundrush deposit.

The Company also has exposure to over 34,000 km² of prospective ground adjacent to and surrounding the Western Tanami Operation and Central Tanami Project, through its 100% owned tenements and its strategic shareholding in ABM Resources NL.

Tanami Gold NL has current Mineral Resources of 2.6 million ounces of gold and over 400,000 ounces of gold Ore Reserves which will underpin the Company's long term growth.

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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 Senior Resource Geologist of Tanami Gold NL. 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 announcement contains certain statements which constitute "forward looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward-looking statement. No representation or warranty, expressed or implied, is made by Tanami Gold NL that material contained in this announcement will be achieved or proved correct.

Table 1: Significant intersections – Coyote diamond drilling

Hole_ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	Meters From	Meters To	Interval Width (m)	Grade (g/t)
CYUG0228	481722	7799587	209	57	156	81	33.6	33.9	0.3	45.1
							52.6	52.9	0.3	96
CYUG0229A	481723	7799587	209	49.5	156	56.2	33.3	33.6	0.3	110
							42	42.3	0.3	50.9
CYUG0232	481717	7799586	206	45	201	56.6	24.5	24.8	0.3	19.4
							55.2	56.2	1	18.1
CYUG0235	481717	7799586	207	-47	201	57	35.4	35.7	0.3	28.6
CYUG0238	481717	7799586	207	23	233	67	48.3	48.6	0.3	379
CYUG0242	481716	7799559	205	-41	218	114	45.6	45.9	0.3	316
CYUG0243	481716	7799559	205	-55	195	171	61.3	61.6	0.3	428
CYUG0244	481716	7799559	205	-45	190	100	48.7	49	0.3	33.6

Notes to accompany Table 1

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates.
2. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
3. Analyses by acid digest with AAS finish of half diamond core samples.
4. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
5. Significant intersections are greater than 0.5g/t with maximum 2 metres internal dilution.
6. Intervals are all down hole length.

Table 2: Significant intersections - Groundrush

Hole_ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	m From	m To	Interval Width	Grade
GRDD0041	603849	7820265	420	-55	48	372.3	311.3	320.0	8.7	8.6
GRDD0044	604090	7819681	420	-63	48	455.1	264.3	265.4	1.05	528.3
								inc	0.45	1230.0
GRDD0046	603742	7820500	420	-60	48	342.0	300.8	303.0	2.2	9.9
GRRC0003	604038	7820522	422	-60	236	216.0	119.0	125.0	6.0	16.6
							inc 121.0	124.0	3.0	32.0
GRRC0004	604079	7820458	422	-62	237	246.0	205.0	207.0	2.0	6.1
GRRC0006	603989	7820579	422	-60	237	168.0	45.0	51.0	6.0	16.5
							inc 45.0	48.0	3.0	32.0

Notes to accompany Table 2

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 0.5g/t with maximum 2 metres internal dilution.
5. Intervals are all down hole length.

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**Table 3: Significant intersections from Groundrush diamond drilling
(Previously reported and including latest results)**

Hole ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Hole Depth	Depth From	Depth To	Interval Width	Grade g/t Au
GRDD1	603980	7819851	420	-57	50	447.7	346.5	349.1	2.6	13.8*
GRDD2	603856.7	7820236	420	-48	50	333.8	235.5	244.0	8.5	5.3
							Inc 239.5	243.0	3.5	8.1
GRDD 3	603859	7820309	420	-60	74	267.7	198.0	214.0	16.0	9.7
							Inc 198.0	199.7	1.7	64.6
							Inc 207.0	214.0	7.0	5.8
GRDD4	603888	7820109	420	-48	59	309.9	243.1	291.0	47.9	3.2*
							Inc 243.1	255.9	12.8	2.6
							Inc 259.2	291.0	31.8	3.8
							303.0	304.9	1.9	5.1
GRDD6	603871	7820313	420	-48	48	276.6	188.5	209.4	20.9	3.5
							Inc 196.6	203.0	6.4	5.4
							225.1	231.0	5.9	3.2
GRDD7	603853	7820102	420	-48	56	420.8	275.3	295.7	20.4	3.1*
							Inc 275.3	276.8	1.5	16.9
							302.0	303.3	1.3	7.9
							307.0	319.0	12.0	4.5
GRDD8	603866	7820310	420	-55	48	336.5	170.0	173.2	3.2	2.8
							183.9	188.2	4.3	159.5*
							Inc 185.0	187.0	2.0	341.6
							224.4	235.6	11.2	3.7
							239.0	245.8	6.8	53.2
							273.0	278.0	5.0	7.1
GRDD9	603830	7820352	420	-53	47	325.0	225.9	230.8	4.9	3.7
GRDD10	603869	7820379	420	-53	47	420.6	182.5	184.2	2.2	5.8
GRDD11	603867	7820179	420	-50	52	408.7	239.0	245.2	6.2	3.0
							251.0	266.8	15.8	2.0
							Inc 262.0	266.8	4.8	3.8
							311.0	322.2	11.2	3.7
							Inc 311.0	315.0	4.0	6.8
GRDD13	603862	7820146	420	-50	49	415.9	289.4	309.0	19.6	3.0
							Inc 291.0	294.5	3.5	7.1
							Inc 302.9	306.0	3.1	4.6
							331.5	337.9	6.4	5.2
GRDD14	604292	7819563	366	-54	52	187.0	88.9	89.2	0.3	15.5
GRDD15	603849	7820102	422	-48	46	415.0	325.0	327.4	2.4	6.8
							363.0	371.8	8.8	2.5
GRDD16	604079	7820474	420	-47	235	422.0	192.2	204.9	12.7	15.12
							inc 199.0	201.3	2.3	46.1

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GRDD17	603954	7819965	421	-53	49	398.0	208.6	211.8	3.2	41.3
							244.0	248.7	4.7	3.2
							307.3	311.3	4.1	8.0
GRDD18	604309	7819548	368	-55	50	188.0	9.0	10.0	1.0	32.9
							63.1	65.5	2.5	5.6
GRDD20	603848	7820263	423	-51	53	355.0	261.0	276.4	15.4	5.3
							<i>Inc 269.1</i>	272.0	2.9	10.9
							<i>Inc 274.5</i>	276.4	1.9	12.2
							312.0	317.0	5.0	7.8
GRDD21	603802	7820422	424	-60	50	293	251.0	262.0	11.0	4.1
GRDD24	603813	7820334	423	-55	48	325.0	251.4	263.4	12.0	4.0*
							323.3	323.7	0.4	220.0
GRDD25	603966	7820264	350	-60	50	218.0	98.0	104.1	6.1	2.9
							172.9	183.6	10.7	5.7
							<i>Inc 177.7</i>	181.0	3.4	13.5
GRDD28	603828	7820210	420	-48	44	374.4	251.3	252.1	0.7	50.7
							289.9	307.9	18.0	8.0
							337.0	342.3	5.3	3.9
GRDD29	603969	7820264	349	-50	50	183.0	71.0	93.0	22.0	7.7
							<i>Inc 80.0</i>	123.0	6.0	3.0
							117.0	123.0	6.0	3.0
GRDD31	603865	7820178	422	-55	48	390.0	183.7	186.4	2.7	59.6
							209.3	210.0	0.7	42.7
							258.5	268.6	10.1	9.1
							301.0	305.9	4.9	6.0
GRDD32	603865	7820178	422	-55	48	362.0	273.0	296.0	23.0	4.0
							<i>Inc 275.7</i>	282.0	6.3	7.6
							302.0	318.0	16.0	10.4
							<i>Inc 307.0</i>	309.0	2.0	52.6
							334.0	347.0	13.0	4.4
<i>Inc 334.0</i>	336.0	2.0	14.2							
GRDD33	603771	7820394	424	-65	50	387	221.7	224.0	2.3	5.8
							348.3	354.1	5.8	6.7
GRDD34	603976	7820338	358	-60	50	174	64.5	71.0	6.5	4.9
GRDD36	603985	7819925	422	-52	45	363	249.3	259.0	9.7	3.2
GRDD37	603771	7820394	424	-58	32	372	338.0	345.7	7.7	7.2
GRDD38	603775	7820167	420	-50	48	447	375.0	382.0	7.0	4.1
GRDD39	603815	7820068	420	-51	45	470	414.0	433.0	19.0	4.1

Notes to accompany Table 3

1. Collar Northing, Easting and Azimuth are all in MGA Grid coordinates. Collar RL is relative to AHD. Collar coordinates may vary upon final survey.
2. Analyses by 50g fire assay with AAS finish of half diamond core samples.
3. No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
4. Significant intersections are greater than 0.5g/t with maximum 2 metres internal dilution.
5. *Significant intersections are greater than 0.2g/t with maximum 3 metres internal dilution
6. Intervals are all down hole length.

Table 4: Total Tanami Gold NL Ore Reserves as at 31 March 2011

Project	Reserve Category								
	Proven			Probable			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
WT	84,100	10.5	28,500	692,600	4.7	104,400	776,700	5.3	132,900
CT	355,000	5.5	62,400	1,689,000	2.9	159,000	2,044,000	3.4	221,300
Sub Total	439,100	6.4	90,900	2,381,600	3.7	263,400	2,820,700	3.9	354,200
CT Stockpile	1,700,000	0.9	48,000				1,700,000	0.9	48,000
Total	2,139,100	2.0	138,900	2,381,600	3.7	263,400	4,520,700	2.8	402,200

Notes to accompany Table 4

- WT is Western Tanami and CT is Central Tanami
- These Ore reserves have been compiled by Mr Peter Lock (MAusIMM), of Mining Plus Pty Ltd, Mr Brad Evans (MAusIMM), of Mining Plus Pty Ltd, Mr Colin McVie (MAusIMM), of Mining Plus Pty Ltd, Mr Bill Makar, Consultant Geologist – Tanami Gold NL, and Mr Peter Clifford, of MineMap Pty Ltd. Mr Lock, Mr Evans, Mr McVie, Mr Makar and Mr Clifford have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore reserves (the JORC Code) 2004 edition. Mr Lock, Mr Evans, Mr McVie, Mr Makar and Mr Clifford consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Table 5: Tanami Gold NL Mineral Resources as at 30 September 2011

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
WT	497,000	5.5	88,000	1,214,000	6.5	255,000	1,393,000	4.3	194,000	3,012,000	5.4	538,000
CT	6,755,000	3.0	645,000	8,016,000	2.7	699,000	6,505,000	3.3	686,000	21,277,000	3.0	2,031,000
Sub Total	7,252,000	8.5	733,000	9,230,000	9.3	954,000	7,898,000	7.6	880,000	24,289,000	8.4	2,569,000
CT Stockpile	1,700,000	0.9	48,000							1,700,000	0.9	48,000
Total	8,952,000	2.7	781,000	9,230,000	3.2	954,000	7,898,000	3.5	880,000	25,989,000	3.1	2,617,000

Notes to accompany Table 5

- WT is Western Tanami and CT is Central Tanami
- Resource estimations completed using MineMap, Vulcan 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 mineralisation outlines.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above 0.7g/t 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. 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), Resource Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Contract Geologist for Tanami Gold NL and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard 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 Nicholls, Mrs Hillyard 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 Western Tanami Resource figure stated has not been depleted for combined Coyote mine production of 41,467 ounces during the period 1 July 2010 30th September 2011