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CENTRAL TANAMI PROJECT

GROUNDROUSH DRILLING INTERSECTS NEW ZONES OF MINERALISATION AND CONFIRMS EXTENSIONS TO KNOWN LODES

HIGHLIGHTS

Results from reverse circulation (RC) drilling has extended the mineralised strike length south of the Groundrush Open Pit with the following significant results:

- 7m @ 13.8g/t Au including 2m @ 45.5g/t (*High grade Vein*)
- 7m @ 4.4g/t Au including 2m @ 11.9g/t (*High grade Vein*)
- Visible gold logged in follow-up drilling– results pending

Ongoing success from Groundrush Resource Upgrade Program with the following results:

- 6m @ 51.5g/t Au
- 13m @ 5.8g/t Au
- 6m @ 3.6g/t Au

First pass RC drilling of the Western Dolerite (adjacent to Groundrush) intercepts significant new zone of mineralisation with the following results:

- 3m @ 4.1g/t Au
- 1m @ 47.3g/t Au
- 3m @ 2.1g/t Au

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 Groundrush Deposit and along and across strike of the Deposit. Recent drilling has intersected significant mineralisation at Groundrush and beyond the limits of the current defined Resource.

Deputy Chairman, Denis Waddell said, “The new results demonstrate the near-mine potential of the Groundrush Deposit, and clearly support continued exploration of the region. The results in GRDD32 (7m @ 13.8g/t) and GRR33 (7m @ 4.4g/t) which are situated 200 metres up dip from significant mineralisation intersected in the GRDD86 series of holes (see Figure 1) are of particular significance as the 200 metre vertical distance between these zones of mineralisation remains completely untested and is considered highly prospective.”

“In addition to the results from GRR32 and 33, positive results have been returned from first pass RC drilling into the Western Dolerite, situated 100 metres west of the main Groundrush Dolerite, with significant mineralisation intersected in multiple holes (see Figure 4). This is the first time we have intersected high grade gold mineralisation in the Western Dolerite and it opens up the potential for the multiple surrounding dolerites to host gold mineralisation. We are pleased that our methodical and detailed approach to gold exploration around this outstanding gold deposit continues to deliver results.”

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Southern Extension of Groundrush

Following the update of the geological model earlier this year, it was clear that the historic 200 metre spaced shallow drilling along strike of the open pit had not adequately tested the southern continuation of the high grade mineralisation. The combination of a +40 metre zone of gold depletion from surface and south plunging mineralised shoots, indicated mineralisation was potentially located below historic drilling.

Based upon this interpretation, a first phase of RC drilling was carried out in June 2012 to test for mineralisation below the depletion zone (see Figure 4). The drilling has been successful in intersecting significant mineralisation of similar tenor to that seen to the north with the following results:

- **GRRC32** 7m @ 13.8g/t Au including 2m @ 45.5g/t (high grade vein)
- **GRRC33** 7m @ 4.4g/t Au including 2m @ 11.9g/t (high grade vein)
- **GRDD34** 6m @ 1.8g/t Au
- **Visible gold logged** in follow-up drilling infill – *results pending*
- Follow up drilling has been planned.

Given the results, the Company has significantly upgraded the exploration potential of the next 1.5 kilometres of the untested prospective dolerite host and the down dip and down plunge potential of this newly confirmed zone of mineralisation. Additional drilling has been planned and will commence in the near future.

The recent drilling results to the south of the existing open pit significantly increase the likelihood of extending mine life and developing a second decline, thereby increasing mined tonnes to the mill.

Groundrush Resource Upgrade Program

The Groundrush Resource Upgrade Program has been underway since June 2012 with a key objective of defining a significant portion of the Mineral Resource to an Indicated and Measured status with 25 metre by 25 metre drill spacing. The objective of the program is to underpin the mining Reserve and a robust mine plan which is scheduled for completion in the March 2013 Quarter.

The Resource delineation program has progressed well with 3,500 metres of the 10,000 metre program completed on budget and on schedule. Recent holes have returned significant mineralisation including:

- **GRDD89** 6.0m @ 51.5g/t Au
- **GRDD100** 13.0m @ 5.8g/t Au
- **GRDD84** 6.0m @ 3.6g/t Au
- **GRDD52** 1.6m @ 25.5g/t Au (high grade vein)
- **GRDD93** 1.0 @ 98.6g/t Au (high grade vein)

Western Dolerite

The Western Dolerite is situated approximately 100 metres west of the Groundrush dolerite (see Figure 4). Mineralisation was first identified during routine sampling of pre-collars for diamond holes that were targeting the deeper Groundrush mineralisation in March 2012 (GRDD63 and GRDD61). The following anomalous grades were previously intersected:

- **GRDD61** 4.0m @ 1.0g/t Au from 53m and 2m @ 3.4g/t from 64m
- **GRDD63** 1.6m @ 0.8g/t Au from 80m

Following a technical review, several RC holes were drilled in July 2012 to test extensions to the mineralisation intersected in GRDD61 and 63 (see Figure 4) with the following results:

- **GRRC25** 3m @ 4.1g/t Au
- **GRRC31** 1m @ 47.3g/t Au and 1m @ 13.4g/t
- **GRRC19** 3m @ 1.4g/t Au
- **GRRC30** 3m @ 2.1g/t Au

The significance of this mineralisation is that it is the first mineralisation identified outside the main Groundrush Dolerite and opens up potential for the surrounding dolerites to host gold mineralisation. This new zone of mineralisation remains open and untested to the south.

Denis Waddell
Deputy Chairman

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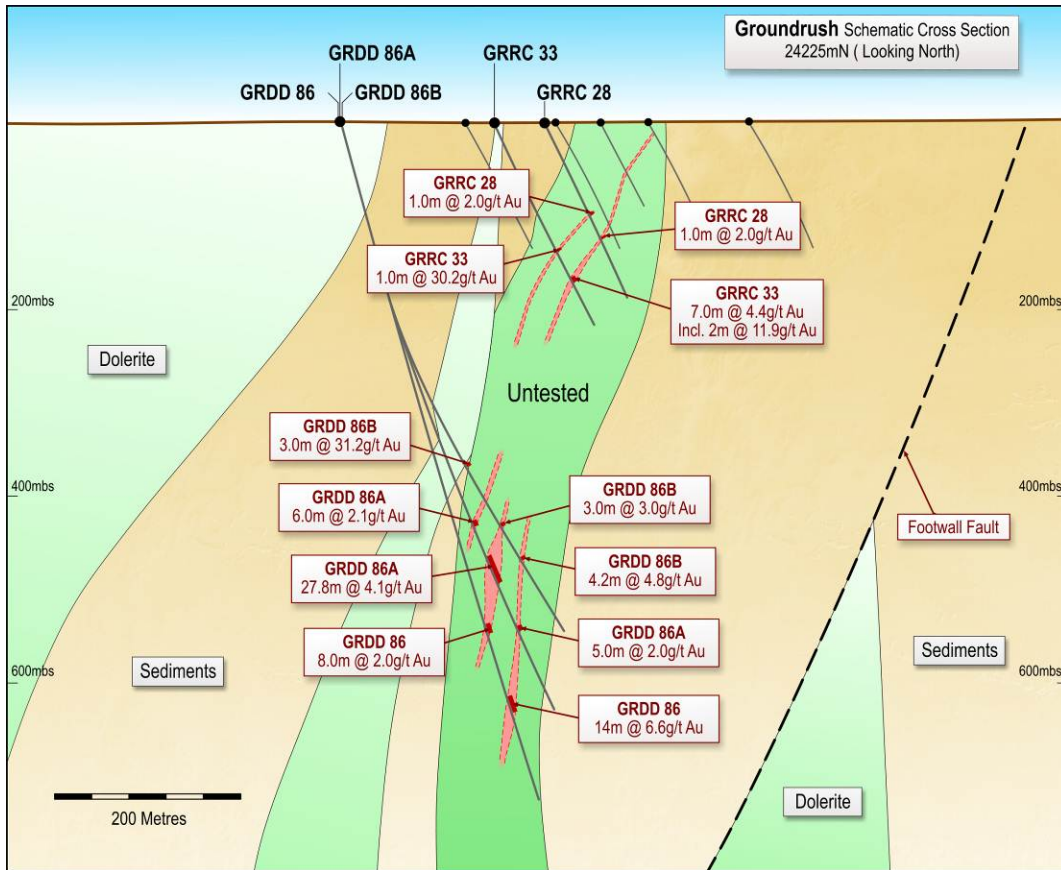


Figure 2: Groundrush South Cross Section 24225N

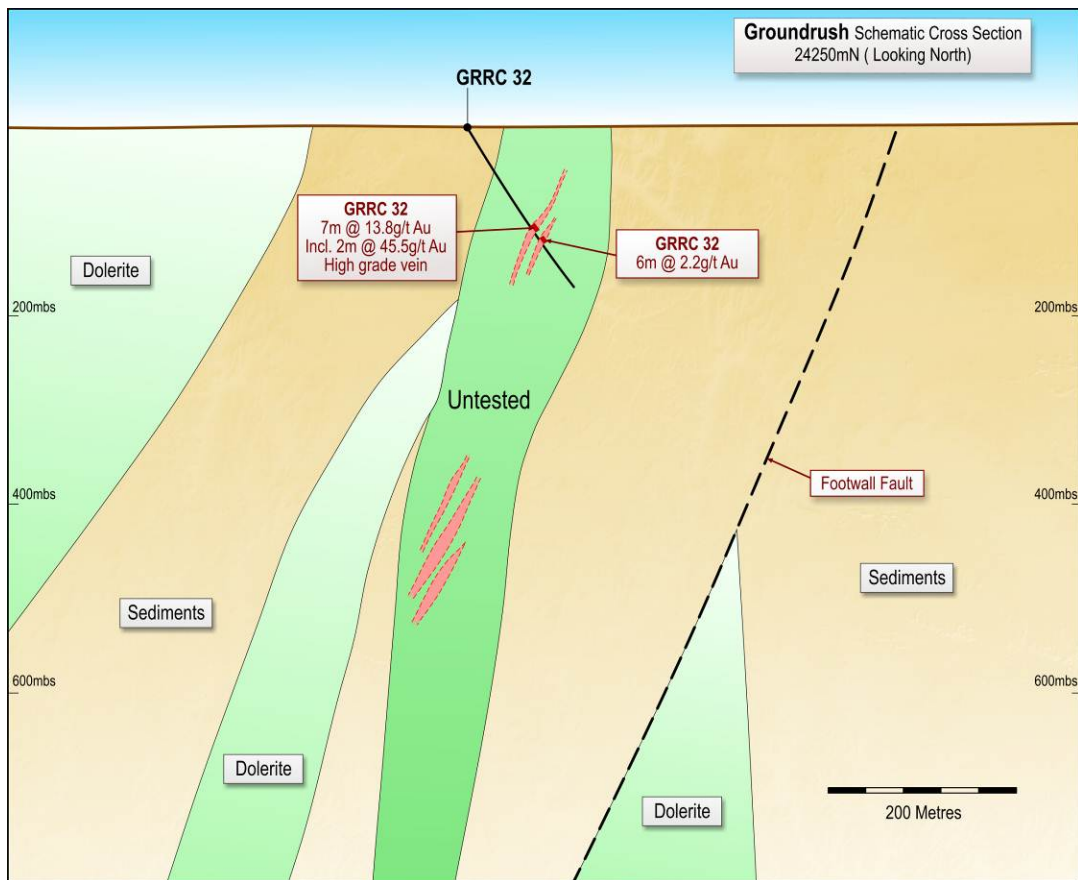


Figure 3: Groundrush South Cross Section 24250N

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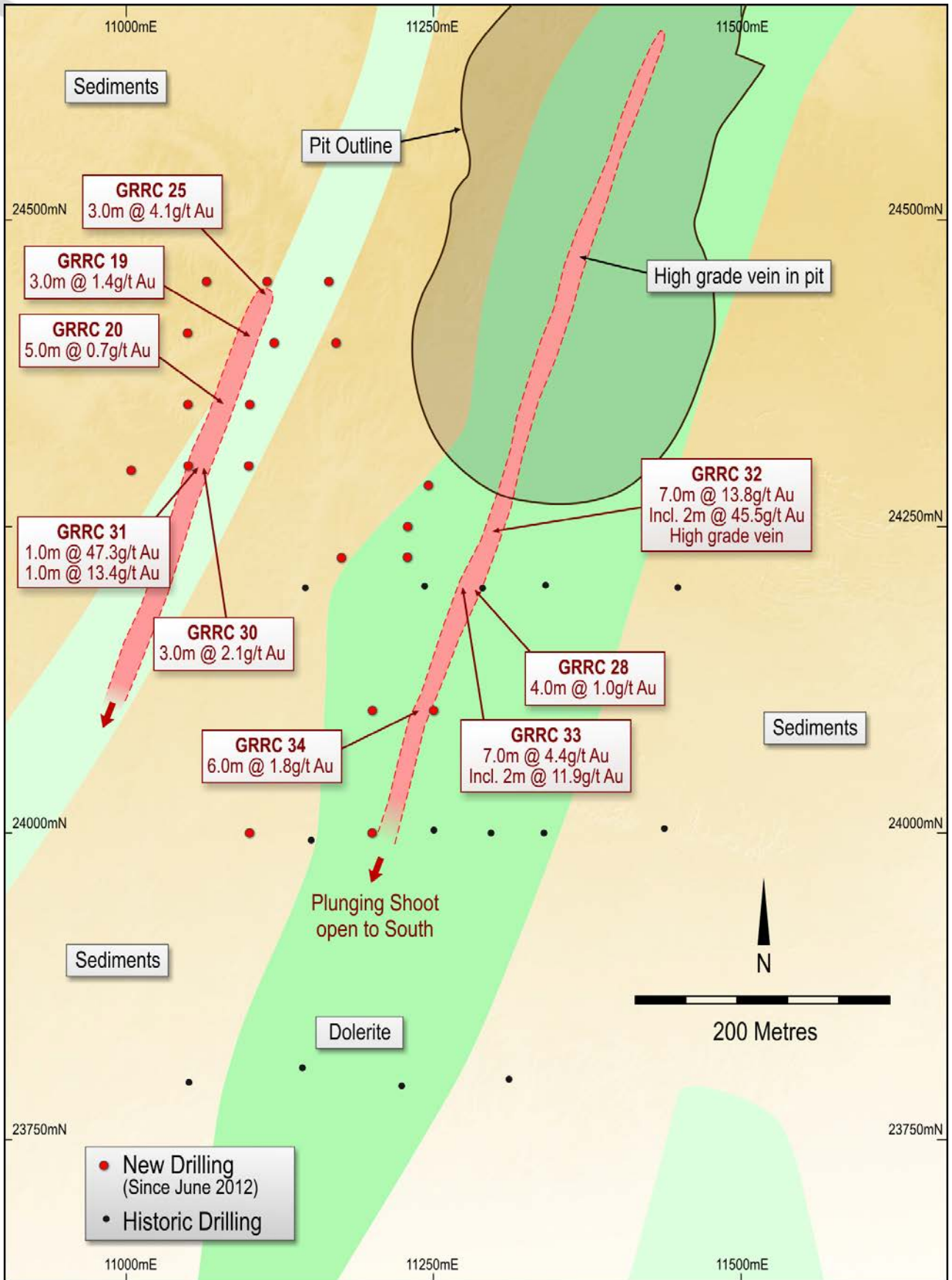


Figure 4: Groundrush Near Mine Exploration

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Table 1: Significant Intersections from Groundrush Deposit

Hole_ID	Collar Easting	Collar Northing	Collar RL	Collar Dip	Collar Azimuth	Max Depth	m From	m To	Interval Width	Grade	Gram Metre
GRDD61	604132	7819454	420	-67	45.5	512	53	57	4	1	4
							64	66	2	3.4	7
GRDD63	604130	7819450	420	-71	45.5	623	80	82	1.6	0.8	1
GRDD86	604172	7819268	420	-73	93	752	563	571	8	2	16
							594	599	5	2	10
							641	655	14	6.6*	92
GRDD86A	604172	7819268	420	-70	96	670	451	457	6	2.2	13
							493	521	28.7	4.1	118
							Incl 494	498	4	8.5	34
							577	582	5	2.6	13
GRDD86B	604172	7819268	420	-67	100	600	467	470	3	3.1	9
							508.8	513	4.2	4.8	19
GRDD52	603831	7820610	393	-50	54	148	81.6	83.2	1.6	25.5	41
GRDD77	603926	7820004	422	-56	48	421	288	291	3	9.4	28
GRDD77	603926	7820004	422	-56	48	421	306	309	3	2.5	7
GRDD82	603877	7820549	385	-60	93	151	109	110	1	16.2	16
GRDD84	603877	7820549	385	-50	93	117	60	66	6	3.6	22
GRDD85	603876	7820549	385	-73	50	189	146	147	1	11.9	12
GRDD89	603949	7820447	373	-73	193	151	72	78	6	51.5	309
GRDD93	603831	7820608	394	-58	92	190	135	136	1	98.6	99
GRDD100	603855	7820211	423	-52	51	354	276	289.5	13	5.8	78
GRRC19	604088	7819427	422	-60	50	150	97	100	3	1.4	4
GRRC20	604126	7819383	422	-60	50	132	121	125	5	0.7	4
GRRC25	604073	7819469	420	-60	50	195	106	109	3	4.1	12
							78	79	1	2.2	2
GRRC28	604343	7819404	420	-60	74.7	210	111	112	1	2.0	2
							61	64	3	2.1	6
GRRC30	604196	7819377	420	-60	50	102	76	77	1	47.3	47
							105	106	1	13.4	13.4
GRRC31	604158	7819345	420	-60	50	150	127	134	7	13.8	97
							inc. 127	129	2	45.5	89
							142	148	6	2.2	13
GRRC32	604327	7819423	420	-60	49.7	204	156	157	1	30.2	30
							186	193	7	4.4	31
							inc 189	191	2	11.9	24
GRRC33	604302	7819369	420	-65	74.7	246	108	114	6	1.8	11
GRRC34	604402	7819290	420	-60	50						

Notes to accompany Table 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.
- Analyses by 50g fire assay with AAS finish of half diamond core samples.
- No cutting of grades has been applied. Assays are rounded to nearest 0.1g/t.
- Significant intersections are greater than 1.0g/t with maximum 2 metres internal dilution.
- * Significant intersections are greater than 0.2g/t with maximum 2 metres internal dilution.
- Intervals are all down hole length.
- Shaded intervals previously reported

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Table 2 – Groundrush Deposit – Mineral Resource as at 5 June 2012

Classification	Tonnes	Grade (g/t Au)	Ounces
Measured	472,000	4.3	66,000
Indicated	1,515,000	4.36	212,000
Inferred	3,149,000	4.6	465,000
Total	5,136,000	4.5	743,000

Notes to accompany Table 2

1. Tonnes and ounces of gold are rounded to the nearest thousand and grade is rounded to the nearest 0.1g/t Au. Rounding may affect tallies.
2. Resources reported above 1.0g/t Au block model grade.

Table 3: Central Tanami Project Mineral Resources as at 5 June 2012

Mineral Lease	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
MLS153	1,051,000	2.2	73,000	3,046,000	2.2	217,000	849,000	2.7	74,000	4,946,000	2.3	365,000
MLS167	2,709,000	3.4	293,000	2,613,000	2.9	244,000	2,050,000	2.9	191,000	7,372,000	3.1	728,000
MLS168	854,000	2.2	60,000	314,000	1.6	16,000	1,094,000	1.6	58,000	2,262,000	1.8	133,000
MLS180	545,000	3.3	57,000	872,000	2.7	76,000	269,000	2	18,000	1,685,000	2.8	151,000
MLSA172	1,096,000	2.7	96,000	176,000	1.8	10,000	142,000	2.7	12,000	1,415,000	2.6	119,000
ML22934	472,000	4.3	66,000	1,515,000	4.4	212,300	3,149,000	4.6	465,200	5,136,000	4.5	743,000
Sub Total	6,727,000	3.0	645,000	8,536,000	2.8	775,300	7,553,000	3.4	818,200	22,816,000	3.1	2,239,000
Stockpiles	1,700,000	0.9	48,000							1,700,000	0.9	48,000
Total	8,427,000	2.6	693,000	8,536,000	2.8	775,300	7,553,000	3.4	818,200	24,516,000	2.9	2,287,000

Notes to accompany Table 3

1. Resource estimations completed using MineMap, Vulcan and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
2. Grade estimation was constrained to material within >0.7g/t mineralisation outlines.
3. Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
4. Resources reported above 0.7g/t block model grade.
- 5.* Resources reported above 1.0g/t block model grade.
6. Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.
7. Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t. Rounding may affect tallies.
8. This Mineral Resources does not include results received since 1 June 2012.
9. 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), Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Resource 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.

Competent Person Statement

The information in this report that relates to Mineral Resource Estimation, Geological Data and Exploration Results is based on information compiled by Mr Michael Thomson, a full time employee and Principal 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.

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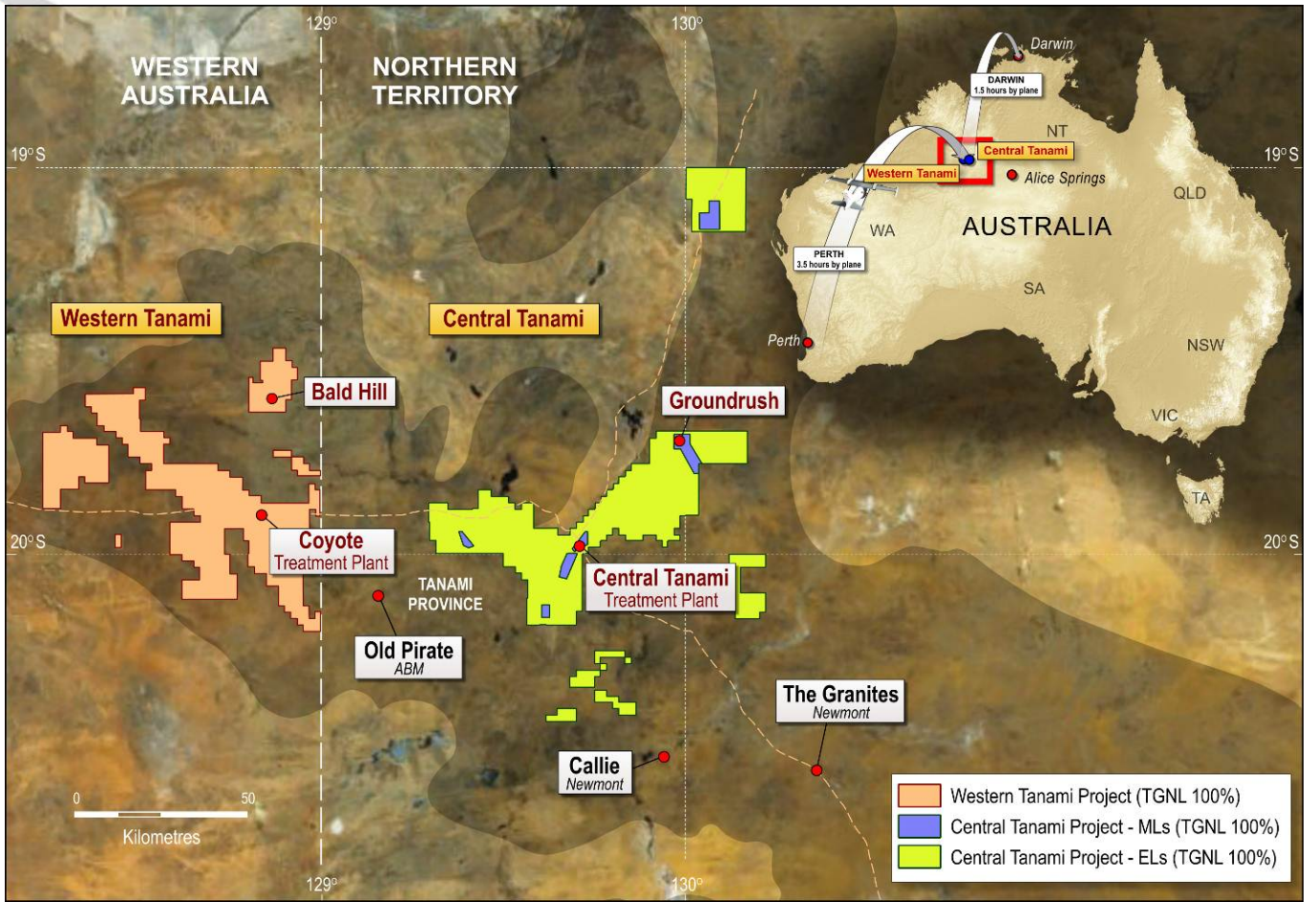


Figure 5: Location Map