



COMPANY ENQUIRIES

Jon Latto
COMPANY SECRETARY

Jane Bown
EXECUTIVE ASSISTANT

TANAMI GOLD NL

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

L2, 56 Ord Street, West Perth
Western Australia 6005
PO Box 1892, West Perth
Western Australia 6872

COMPANY UPDATE

The Board of Directors met on 28 May 2013 and wishes to update the Market on a number of issues.

COYOTE GOLD PROJECT

The Company recently announced (refer ASX announcement dated 22 April 2013) that the Coyote Gold Treatment Plant would be placed on care and maintenance. During the past month, there has been considerable progress towards this end. Presently, independent costings are being obtained to ensure that the ongoing care and maintenance costs of the Treatment Plant and the Mine itself are kept to a minimum whilst ensuring that appropriate safety standards are maintained.

The Company also announced on 22 April 2013 that the scope of the feasibility studies on the Kavanagh deposit would be broadened to investigate the options and cost to further upgrade the Mineral Resource both in terms of total contained gold and Mineral Resource classification to strengthen the investment case for development at the current prevailing gold price, which the Board noted was below the base case assumptions at that date.

The Company is now in the course of completing that exercise and, in particular, is preparing a new Business Case which contains a drilling proposal for the Kavanagh Resource the aim of which is to grow the 100,000 ounce Kavanagh Resource.

CENTRAL TANAMI PROJECT

The Company also announced on 22 April 2013 that it was deferring a development decision on the Groundrush/Central Project, switching focus to a renewed exploration effort to meet key Mineral Resource criteria necessary for justification and securing of funding for commercial development.

The Company is now in the course of preparing a revised study charter which will quantify economic benefits associated with this activity and a drilling proposal is being developed which aims to expand both the Mineral Resource and Reserve base at the Groundrush deposit.

CASH FLOW

The Company is currently dependent on loan funds under its \$15 million loan facility with Sun Hung Kai International Bank (Brunei) Ltd. The Board is considering a range of funding options for the Company.

CHIEF EXECUTIVE OFFICER

A number of candidates have been interviewed and the process is continuing.

ASX Announcement

31 May 2013

Table 1: Kavanagh Orebody Resource Statement

Classification	Tonnes	Grade	Ounces
		(g/t Au)	
Inferred	122,000	25.2	100,000

Notes to accompany Table 1

1. Tonnes and ounces of gold are rounded to significant figures and grade is rounded to the nearest 0.1g/t Au. Rounding may affect tallies.
2. Resources reported above 3.0g/t Au block model grade.
3. A top-cut of 150 gram per metre was applied during the modelling process.
4. Grade was estimated using Inverse Distance Squared (ID2) technique.

Competent Person

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 Principal Geologist of Tanami Gold NL. Mr Thomson is a member of the Australasian Institute of Mining and Metallurgy. Mr Thomson 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 their 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.

Gerard McMahon
Deputy Chairman