

quarterly report

FOR THE PERIOD ENDING
31 MARCH 2016



COMPANY ENQUIRIES
Pauline Collinson
COMPANY SECRETARY

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

Unit B1, 431 Roberts Road, Subiaco
Western Australia 6008
PO BOX 1892, West Perth
Western Australia 6872

CORPORATE

Cash and Cash Equivalents

As at 31 March 2016, the Company had cash of \$7,554,120.

Joint Venture with Northern Star Resources Limited

As previously announced, the Company and Northern Star Resources Limited ("NST") have formed an unincorporated joint venture ("JV") to advance the Company's Central Tanami Project ("CTP").

In accordance with the JV, management of the exploration activities at the Company's CTP were handed over to NST who will sole fund all JV expenditure including all CTP exploration and evaluation costs, assessment and development costs, mining of the JV tenements and refurbishing the CTP process plant and associated infrastructure, during the Sole Funding Period.

The Sole Funding Period will expire on the date on which the process plant at the CTP has been refurbished to operating condition and has operated for a continuous 30 day period or has produced 5,000 ounces of gold ore (whichever occurs first). On the expiry of the Sole Funding Period, NST will have earned a further 35% undivided interest in the CTP (taking NST's total JV Interest to 60%).

Refer to the Exploration section for an update on the JV activities undertaken by NST at the Company's CTP.

Sale of Northern Star Resources Limited Shares

During the quarter, the Company sold 790,228 shares in NST at an average price of \$3.36 per share receiving approximately \$2.65 million (net of transactions costs).

As at 31 March 2016, the Company has 1,500,000 NST shares remaining.

Litigation with Metals X Limited

The Board has previously advised shareholders of the ongoing litigation with Metals X Limited ("MLX") regarding the NST HoA and that the Board denies the legal and factual basis of MLX's claims.

The Supreme Court of Western Australia has ordered that the 14 – 18 November 2016 be reserved for trial subject to certain conditions being fulfilled (one of those conditions being both parties having completed the steps necessary for trial).

The Company estimates it may incur legal fees of at least \$300,000 during the next quarter ending 30 June 2016.

The litigation is currently not affecting the operation of the NST Joint Venture with NST.

quarterly report

FOR THE PERIOD ENDING
31 MARCH 2016



Coyote Plant Agreement with ABM Resources NL

The Coyote Plant Agreement (“Agreement”) with ABM Resources NL (“ABM”) Initial Lease Term (“Lease”) is for 12 months commencing 14 July 2015 and expiring 14 July 2016.

On 13 April 2016, the Company received formal notification from ABM in accordance with Agreement advising ABM will not be renewing the Lease for a further term of 12 months or exercising the option to purchase Coyote.

ABM remains solely responsible for the management and maintenance of Coyote in accordance with the Agreement for the remaining duration of the Initial Lease Term.

Loan Facility with AP Finance Limited

The legally binding letter of support from AP Finance Limited to provide an unsecured Loan Facility of approximately A\$12 million expired 31 March 2016 and was not renewed by the Company.

Gerard McMahon
Chairman

quarterly report

FOR THE PERIOD ENDING 31 MARCH 2016

EXPLORATION

Central Tanami Project (75% Tanami)

RC and diamond infill and extensional drilling programs continued during the quarter at the Groundrush deposit, located approximately 50km north of the Central Tanami plant site. A further 11,950 metres of drilling was completed to finish the current program.

The infill drilling program focussed on establishing the continuity of mineralisation to a vertical depth of 300m below the surface at the southern end of the Groundrush deposit with additional drilling targeting depth and down plunge extensions to the existing Resource model.

Preparation of a new Resource model is in progress for completion during the next quarter.

Western Tanami (100% Tanami)

Exploration activities have continued at the Company's Western Tanami Project with portable XRF (pXRF) surveys concentrating primarily on termite mound sampling in and around Coyote (M80\561) and the Rabid South Prospect (E80\1481).

At Coyote, a 400m x 200m spaced orientation survey was carried out on a 2km radius of the mine site, including partial coverage of a traverse that had been completed as part of a research project in 2002. Notwithstanding the presence of contamination and lack of coverage over the open pit and plant area, the survey clearly demonstrated that the use of pXRF termite mound surveys would identify a concentrated arsenic zone over the Coyote ore body.

At Rabid South, exploration activity focussed on extending the Rabid South 100m x 100m grid to the west and northwest of the previously identified anomaly. A second concentration of arsenic has been identified to the northwest which appears to truncate abruptly against the Tanami Fault. Both of these Rabid South anomalies are now ready drilling targets.

Exploration is in progress to extend the termite grid to the north east in a bid to determine whether the known mineralisation at Rabies has been offset across the Tanami Fault.

This early stage exploration technique is proving an effective, low cost and rapid method to vector in on hydrothermal alteration. A total of 495 readings were taken during the quarter. Readings were taken with the same instrument, and were strictly controlled with the use of certified reference materials. No samples were sent to a commercial laboratory for analysis and verification.

quarterly report

FOR THE PERIOD ENDING 31 MARCH 2016

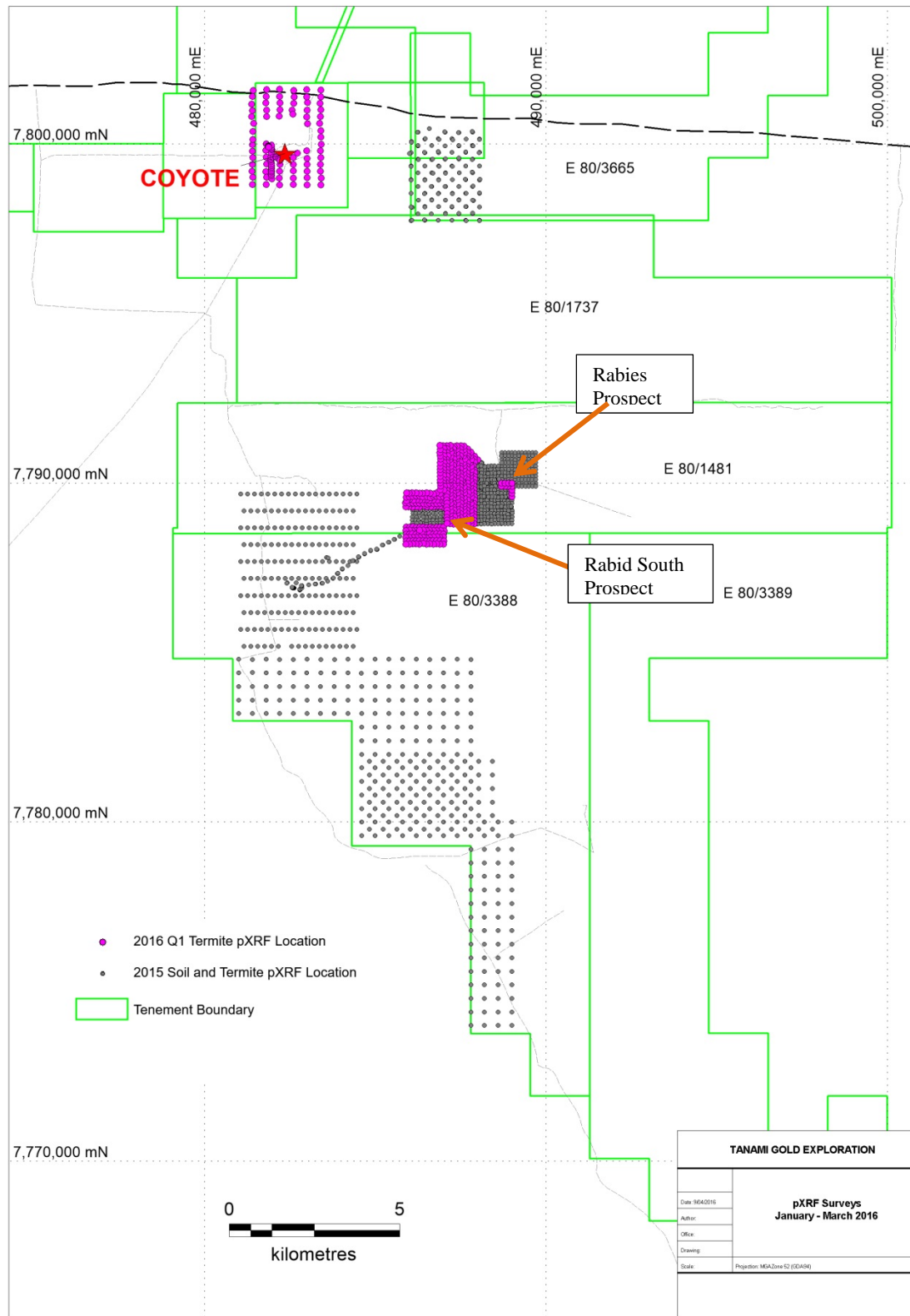


Figure 1: March 2016 Quarter pXRF Survey Locations

quarterly report

FOR THE PERIOD ENDING 31 MARCH 2016

Mineral Resources

Table 1: Tanami Gold NL Mineral Resources as at 30 April 2014

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces
WTP	482	2.8	44	1,079	6.0	208	1,446	5.8	271	2,931	5.6	523
CTP ¹⁰	6,730	3	648	9,491	3	954	9,279	3	1,022	25,500	3	2,625
Sub Total	7,212	3.0	692	10,570	3.4	1,162	10,725	3.7	1,293	28,431	3.4	3,148
CTP Stockpile ¹⁰	1,700	0.9	48	-	-	-	-	-	-	1,700	0.9	48
Total	8,912	2.6	740	10,570	3.4	1,162	10,725	3.7	1,293	30,131	3.3	3,196

Notes to accompany Table 1

- WTP is Western Tanami Prospect and CTP is Central Tanami Project.
- Resource estimations completed using MineMap, Vulcan, Surpac, Datamine and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above relevant cut-offs based on economic extractions, varying between 0.7g/t Au and 5.0g/t Au 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 Au. Rounding may affect tallies.
- The information in this report pertaining to Mineral Resources was compiled by Mr Bill Makar (MAusIMM), former Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), former Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), former Resource Geologist for Tanami Gold NL, Mr Mark Drabble (MAusIMM) – Principal Consultant Geologist, Optiro Pty Ltd and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble 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 Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble 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 dates referred to in this table titles (30th April 2014) represent the date of the most recent update of a Resource within this table.
- Within the WTP stated Figures is the Kavanagh Resource that is compliant to the JORC Code 2012, all other Resources were prepared and first disclosed under the JORC Code 2004 and have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.
- On 4th of August 2015, an unincorporated joint venture was formed between the Company and Northern Star Resources Limited who purchased an initial 25% interest in the Company's Central Tanami Project ("CTP"). At the time of this report, the Company retains a 75% interest in the CTP Resources stated in this table.

Table 2: Schedule of mineral tenements - Western Australia

WESTERN AUSTRALIA				
WA (TGNL 100%)	Name	Granted From	Expiry Date	Blocks
E80/1481	Balwina	05/10/93	04/10/15	24
E80/1483	Bold Hill	16/04/92	15/04/16	15
E80/1737	Camel Hump	22/03/94	21/03/16	28
E80/3388	Olive	15/05/06	14/05/16	35
E80/3389	Popeye	15/05/06	14/05/16	35
E80/3665	Border	19/10/07	18/10/17	17
M80/559	Coyote 1	27/09/05	26/09/26	997 hectares
M80/560	Coyote 2	27/09/05	26/09/26	998 hectares
M80/561	Coyote 3	27/09/05	26/09/26	988 hectares
M80/563	Bald Hill 2	02/12/05	01/12/26	978 hectares

WESTERN AUSTRALIA TOTAL

532 km²

quarterly report

FOR THE PERIOD ENDING 31 MARCH 2016

Table 3: Schedule of Mineral Tenements - Northern Territory

NORTHERN TERRITORY				
CENTRAL TANAMI (TGNL 75%)	Name	Granted From	Expiry Date	Blocks
EL8797	Gamma	09/09/99	25/08/16	2
EL9763	Red Hills	24/07/00	23/07/15	7
EL9843	Chapmans Hill	27/03/06	31/12/15	21
EL10355	Red Hills North	04/06/01	03/06/15	4
EL10411	Tanami Downs North	04/06/01	03/06/15	7
EL22061	Farrands Hill South	27/03/06	31/12/15	13
EL22229	Question Mark Bore East	08/06/01	07/06/15	8
EL22378	Question Mark Bore Far East	08/06/01	07/06/15	6
EL23342	Coomarie	25/05/06	31/12/15	8
EL26925	Goanna 2	25/01/11	24/01/15	60
EL26926	Black Hills 2	25/01/11	24/01/15	204
EL28282	Suplejack	20/04/11	19/04/17	35
EL28474	Rushmore	12/03/13	11/03/19	148
EL(A)28613	Gamma East	Application		123
ML22934	Groundrush	14/09/01	13/09/26	3950 hectares
MLS119	Reward	15/05/64	31/12/30	8.09 hectares
MLS120	No. 1 South	15/05/64	31/12/30	8.09 hectares
MLS121	No. 2 South	15/05/64	31/12/30	8.09 hectares
MLS122	No. 3 South	15/05/64	31/12/30	8.09 hectares
MLS123	No. 4 South	15/05/64	31/12/30	8.09 hectares
MLS124	No. 1 North	15/05/64	31/12/30	8.09 hectares
MLS125	No. 2 North	15/05/64	31/12/30	8.09 hectares
MLS126	No. 3 North	15/05/64	31/12/30	8.09 hectares
MLS127	No. 4 North	15/05/64	31/12/30	8.09 hectares
MLS128	No. 5 North	15/05/64	31/12/30	7.09 hectares
MLS129	No. 6 North	15/05/64	31/12/30	8.09 hectares
MLS130	East Block	15/05/64	31/12/30	8.09 hectares
MLS131	No. 5 South	15/05/64	31/12/30	8.09 hectares
MLS132	No. 6 South	15/05/64	31/12/30	8.09 hectares
MLS133	South-East Block	15/05/64	31/12/30	8.09 hectares
MLS153	Tanami Extended	05/10/90	04/10/15	1000 hectares
MLS167	Matilda	13/10/95	31/12/20	1877 hectares
MLS168	Enterprise	13/10/95	31/12/20	712 hectares
MLS180	Molech	18/11/98	31/12/22	804 hectares

NORTHERN TERRITORY TOTAL

2,196 km²

quarterly report

FOR THE PERIOD ENDING 31 MARCH 2016

Competent Person Statement

The information in this report that relates to all Mineral Resources other than the Kavanagh April 2014 Resource is based on information compiled by consultant geologist Mr Michael Thomson of MiGeo Enterprise Pty Ltd. 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 information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Kavanagh April 2014 Mineral Resource, Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by consultant geologist Mr Michael Thomson of MiGeo Enterprise Pty Ltd. Mr Thomson is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.

The information in this report that relates to all Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by consultant geologist Mr Michael Thomson of MiGeo Enterprise Pty Ltd. Mr Thomson is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

TANAMI GOLD NL

ABN

51 000 617 176

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	32	2,097
1.2 Payments for (a) exploration & evaluation	(228)	(706)
(b) development	-	-
(c) care and maintenance	-	(301)
(d) administration	(537)	(1,442)
1.3 Dividends received	-	146
1.4 Interest and other items of a similar nature received	40	89
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – withholding tax paid	-	(43)
Net Operating Cash Flows	(693)	(160)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	¹ 2,647	7,969
(c) other fixed assets	-	11,000
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payment for security bond	-	-
1.13 Other – refund of security bond	-	-
Net investing cash flows	2,647	18,969
1.14 Total operating and investing cash flows (carried forward)	1,954	18,809

¹: During the quarter, the Company sold 790,228 NST shares at an average price of \$3.36 per share receiving approximately \$2.65 million (net of transaction costs).

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.14	Total operating and investing cash flows (brought forward)	1,954	18,809
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	1,000
1.18	Repayment of borrowings	-	(12,197)
1.19	Dividends paid	-	-
1.20	Other – Borrowing costs	-	(254)
	Net financing cash flows	-	(11,451)
	Net increase (decrease) in cash held	1,954	7,358
1.21	Cash at beginning of quarter/year to date	5,600	196
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	7,554	7,554

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(81)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

N/A

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	225
4.2 Development	-
4.3 Care and maintenance	-
4.4 Administration	580
Total	805

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	554	5,600
5.2 Deposits at call	7,000	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	7,554	5,600

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	<p>Reduction in area by Compulsory/ Voluntary <u>Partial Surrender</u></p> <p>Nil</p> <p><u>Outright Surrender</u></p> <p>Nil</p> <p><u>Expiry</u></p> <p>Nil</p> <p><u>Withdrawal</u></p> <p>Nil</p> <p><u>Reduction through Joint Venture</u></p> <p>Nil</p>		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	<p>Application for Exploration Licence</p> <p>Nil</p> <p><u>Purchase</u></p> <p>Nil</p>		

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				
7.2				
7.3	1,175,097,046	1,175,097,046		

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas 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>	300,000	-	<i>Exercise price</i> \$1.34	<i>Expiry date</i> 22/12/2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 28 April 2016

Print name: Pauline Collinson
(Company Secretary)

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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

== == == == ==