



19 November 2013

Dear Shareholder

### Tanami Gold NL - Pro-Rata Renounceable Rights Issue

As announced on 15 November 2013 Tanami Gold NL (ACN 000 617 176) (**Tanami** or the **Company**) is undertaking a one (1) for every one (1) pro rata renounceable rights issue (**Rights Issue** or **Offer**) of 587,548,523 fully paid ordinary shares (**New Shares**) to raise \$11,750,970 less costs of the Offer. The price of New Shares under the Offer is \$0.02 per share (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 15 November 2013.

The Offer is fully underwritten by Allied Properties Resources Limited (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 6% of the total amount raised pursuant to the Offer plus a management fee of \$75,000. The Company must also reimburse the Underwriter for costs incidental to the Offer.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Kavanagh drilling program (including infill and possible resource extension drilling and exploration for new lodes at depth)	\$3,610,282	30.72%
2.	Coyote Gold Project care and maintenance program and associated costs (period until 30 November, 2014)	\$4,278,545	36.41%
3.	Payment of Loan Facility financing charges	\$1,642,192	13.97%
4.	Expenses of the Offer	\$710,944	6.05%
5.	Working capital	\$1,509,007	12.85%
	<b>Total</b>	<b>\$11,750,970</b>	<b>100%</b>

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5.00pm WST on 28 November 2013, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued 587,548,523 New Shares resulting in total Shares on issue of 1,175,097,046.

### **Ineligible shareholders**

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

The Company has appointed Patersons Securities Limited (**Nominee**) as nominee to sell the rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**) to which Ineligible Shareholders are entitled. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.

If you have any queries concerning the Rights Issue, please contact your financial adviser or Pauline Collinson, Tanami's Company Secretary, on +61 8 9212 5999 or email Mrs Collinson at pauline.collinson@tanami.com.au.

Yours sincerely,  
**Tanami Gold NL**



**Pauline Collinson**  
Company Secretary