PARTIAL
RELINQUISHMENT REPORT

EL 9529

From 14 May 2002 to 13 May 2004

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1.0 SUMMARY

EL 9529 ‘Turner’ forms part of the Winnecke Project and is situated approximately 55 kilometres northeast of Alice Springs (Figure 1). The tenement was granted in May 2002 to Normandy NFM Limited and, pursuant to the terms of an agreement, was transferred to Tanami Exploration NL (TENL) in June 2002. TENL is a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company. This report describes exploration carried out on the relinquished portion of EL 9529.

During its first year of tenure EL 9529 was the subject of a joint venture agreement between TGNL and Teck Cominco Australia Pty Ltd (Teck) and BHP-Billiton Pty Ltd (BHP). Geodiscovery Pty Ltd managed the exploration for Teck / BHP on the North Wigley Project, incorporating EL 9529.

Neither Teck / BHP nor TENL carried out any field exploration on the surrendered tenement portion. EL 9529 was part of regional studies, including an assessment of Landsat and geophysical data. The relinquished tenement area was considered unprospective based on the interpreted geology of high grade metamorphic granitic gneisses of the Arltunga Gneiss complex.

2.0 INTRODUCTION

EL 9529 ‘Turner’ is located 50 kilometres northeast of Alice Springs. Access is via the Stuart and Ross Highways from Alice Springs for 70 kilometres then via the Arltunga Tourist Track and various station tracks.

EL 9529 is explored as part of TENL’s Winnecke Project. After two years of tenure the southeastern section of the tenement was surrendered. Exploration during this period was carried out by Tanami Exploration NL (TENL) and Teck Cominco Australia Pty Ltd. TENL is a wholly owned subsidiary of Tanami Gold NL (TGNL) which is a publicly listed company and active explorer in the Tanami-Arunta Province.

This report describes exploration on the surrendered portion of EL 9529 from its grant date to the date of relinquishment on 13 May 2004 and Teck, who carried out exploration in 2002 on EL 9529 under a Joint Venture agreement with TGNL.

3.0 TENEMENT DETAILS

EL 9529 was granted on 14 May 2002 to Normandy NFM Limited. On 17 June 2002 it was transferred to TENL and explored as part of TENL’s Winnecke Project. At the end of the second year of tenure the area of the tenement was reduced from 57 blocks to 24 blocks pursuant to the requirements of section 26 of the NT Mining Act, see Table 1 and Figure 2. This report covers exploration conducted within the relinquished section of the tenement by TENL.

<table>
<thead>
<tr>
<th>TABLE 1</th>
<th>Tenement Details</th>
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<tbody>
<tr>
<td>Tenement No</td>
<td>Blocks Granted</td>
</tr>
<tr>
<td>Turner EL 9529</td>
<td>57</td>
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</tbody>
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Prior to the grant of the tenement, TENL entered into an Indigenous Land Use Agreement (ILUA) covering six tenements in the region (Figure 3). This Harts Range Indigenous Land Use Agreement (ILUA) was registered by the National Native Title Tribunal on 5 September 2002.

Exploration Licences 9529, 9774, 10359, 10360, 10404, 22625, 22918 and 23650 were incorporated into the Company’s Harts Range Indigenous Land Use Agreement (ILUA) by a Deed of Covenant executed on 20 May 2003. The ILUA and associated Exploration Deed between TENL and the Central Land Council (CLC) sets out the terms and conditions for conducting exploration in accordance with the wishes of traditional Aboriginal owners.

4.0 REGIONAL GEOLOGY AND PROSPECTIVITY

The Winnecke tenements lie within the Arunta Region, which has a stratigraphic, igneous and tectonic history spanning the Palaeoproterozoic to the Palaeozoic. The geology of the Winnecke project area is dominated by the Strangways Metamorphic Complex and overlying Amadeus Basin. A regional interpretation of the district was compiled by Dr Ding Puquan and Dr Deng Qi in April-May 2001. A portion of this interpretation showing the relinquished portion of EL 9529 is presented as Plate 1.

The relinquished tenement area is mainly underlain by granitic gneiss of the Arltunga Gneiss Complex with smaller interpreted intrusions of the Neoproterozoic Heavitree Quartzite. No Modat occurrences are located on the surrendered tenement area (Plate 2).

EL 9529 is situated in the general Strangways - Harts Range area. An assessment of the Palaeoproterozoic Arunta province, undertaken by Geodiscovery on behalf of Teck and TGNL highlighted the potential for polymetallic (Cu-Pb-Zn-Ag-Au) metamorphosed massive sulphide deposits within the central Arunta region area. The possibility that Iron Oxide Copper Gold (IOCG) and epigenetic gold deposits could occur within the project area was also recognised.

TENL is accessing both the gold and gold-platinum-palladium potential of the district.

5.0 TECK EXPLORATION

Geodiscovery on behalf of Teck explored EL 9529 together with EL 9774 and EL 23630 as the North Wigley Prospect. The conceptual target is a Volcanogenic Massive Sulphide (VMS) and / or Broken Hill Type (BHT) deposit located in the transition zone between a biotite-rich metasedimentary package and a felsic gneiss-amphibolite sequence. Several stratabound base metal occurrences are located in the area including the Gecko, Rankins and Gum Tree prospects.

No field work was carried out by Geodiscovery or Teck on the surrendered tenement portion.

6.0 TENL EXPLORATION

No field work was carried out in the surrendered tenement portion of EL 9529 ‘Turner’. The tenement area was covered by the Company’s regional mapping program centred on the Florence Creek shear zone, see Section 4.0 and Plate 1. Regional desktop studies included an evaluation of Landsat data and Modat occurrences (Plate 2) and an aeromagnetic data assessment (Plate 3). Aeromagnetic anomalies were outlined in the northwestern tenement area, which was retained. The southeastern tenement area was considered unprospective and consequently surrendered.
7.0 REFERENCES

Ding, Puquan 2001 Pre-Cenozoic solid geology map of the Strangways Range to Harts Range area, Explanatory Note. Unpublished TGNL in-house report.

