



TANAMI EXPLORATION N.L.

ABN 45 063 213 598

Fourth

ANNUAL REPORT

EL's 9804, 9806, 9836, 22924

ALCOOTA PROJECT

For Year Ending 22 December 2006

Author
C Rohde

January 2007

Distribution:

- o Department of Business, Industry, & Resource Development (1)
- o Central Land Council (1)
- o Tanami Gold NL (1)

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DIGITAL APPENDICES (supplied on CD)

FILE	DESC
AL_WASG3_SURF_2006A	Surface Sampling

1.0 SUMMARY

Tanami Exploration NL identified the potential for Tanami-style gold mineralisation, iron oxide copper-gold (IOCG) mineralisation and Tennant Creek-style copper-gold mineralisation in the Alcoota region of the northern Arunta Block in 1997 leading to the acquisition of the significant tenement package forming the Alcoota Project.

The Alcoota Project lies in the Arunta region of the North Australian Craton approximately 150 kilometres north of Alice Springs (**Figure 1**). It now comprises four Exploration Licences, all granted in the period between 28 October 2002 and 13 August 2003 to Tanami Exploration NL. Tanami Exploration NL (TENL), an active explorer in the Tanami-Arunta Province, is a wholly owned subsidiary of Tanami Gold NL, a publicly listed company. The tenements cover an area of 780 km². This report describes exploration carried out on all tenements for the year ending 22 December 2006.

Exploration consisted of a regional assessment of the Ledan Corridor. A total of 8 rock chip samples were taken from EL 22924. The only anomalous result was elevated copper of 644ppm Cu from a malachite stained quartz vein at the Perenti MODAT occurrence (Cu).

2.0 INTRODUCTION

The Alcoota Project is located approximately 150 kilometres north of Alice Springs. Access to the project area is via the Stuart Highway, which passes to the west of the project area. After approximately 95 kilometres the Sandover Highway branches off to the northeast, passing through the Alcoota area in a north-easterly direction. The Plenty Highway provides access from the south. Station tracks and fence lines provide further access throughout the project area.

This combined report covers the four exploration licences encompassing the Alcoota Project and describes exploration carried out by TENL in the year ending 22 December 2006.

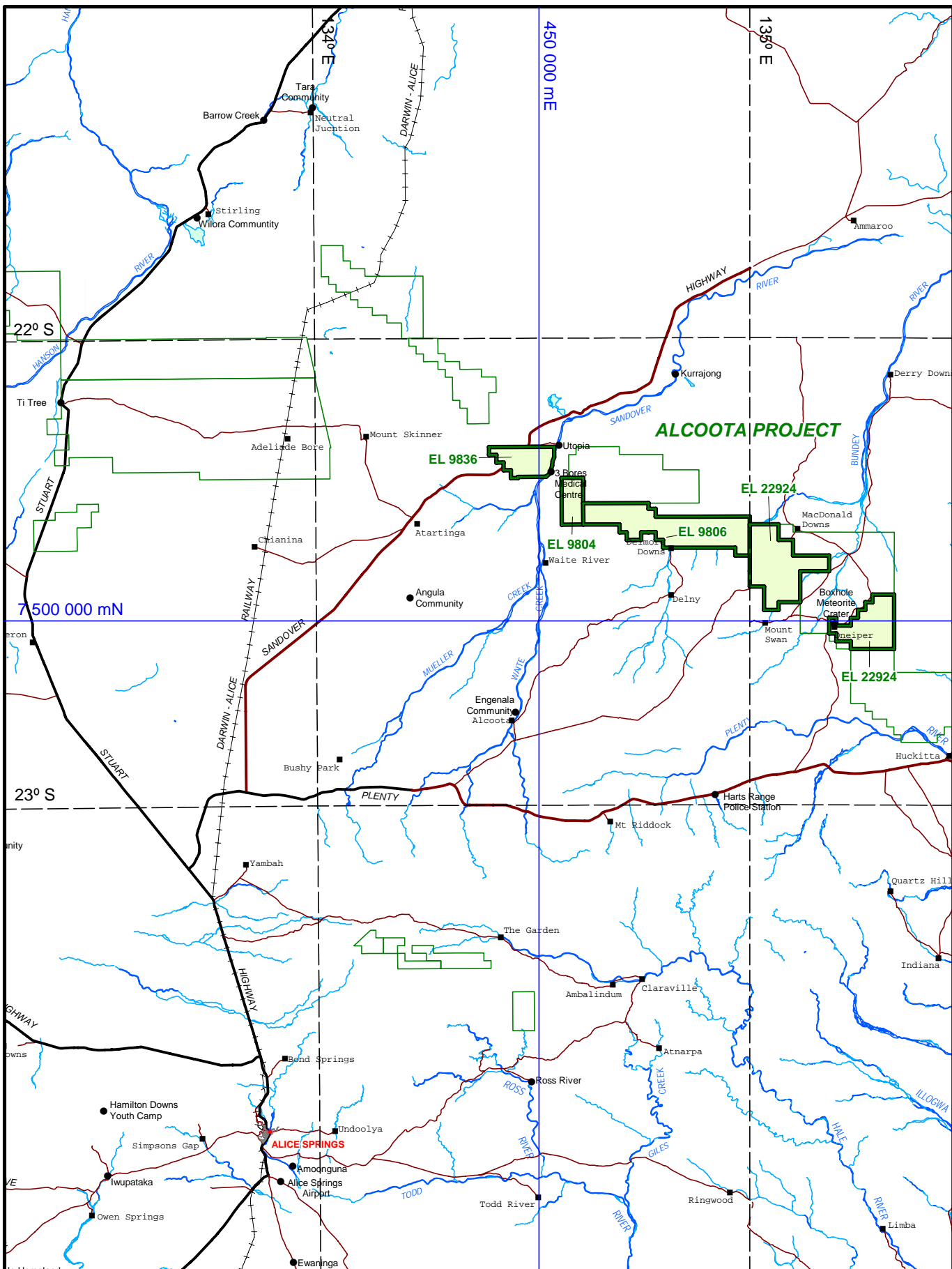
3.0 TENURE

The Alcoota Project now consists of four tenements EL 9804, EL 9806, EL 9836 and EL 22924 (**Figure 2**) comprising 250 blocks for a total area of 780 km². TENL is the registered holder of the tenements. Tenement details are listed below in **Table 1**.

Table 1: Tenement Details

Tenement	Tenement No.	Blocks	Km ²	Grant Date	Expiry	Current Covenant
Waite River	EL 9804	18	58	28-Oct-02	27-Oct-08	\$12,500
Delmore Downs	EL 9806	92	273	18-Nov-02	17-Nov-08	\$11,000
Bangtail Bore	EL 9836	30	96	13-Aug-03	12-Aug-09	\$9,000
Delny	EL 22924	110	352	23-Dec-02	22-Dec-08	\$15,000

At present there is no formal Indigenous Land Use Agreement (ILUA) over the Alcoota Project, with the exception of EL 22916, which was included by Deed Of Covenant into the 'Harts Range ILUA' between TGNL and the Central Land Council (CLC) on 20 May 2003. The associated Exploration Deed between TGNL and the CLC sets out the terms and conditions for conducting exploration in accordance with the wishes of traditional Aboriginal owners.



TANAMI GOLD NL
ALCOOTA

TENEMENT LOCATION

ORIGINATOR:
C. Rohde

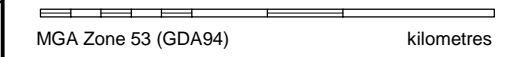
DATE:
Jan 2007

DRAWN:
A. Weston

1 : 1,250,000

FIGURE 1

PLAN No: **CAP_AL_1_0_007**



MGA Zone 53 (GDA94) kilometres

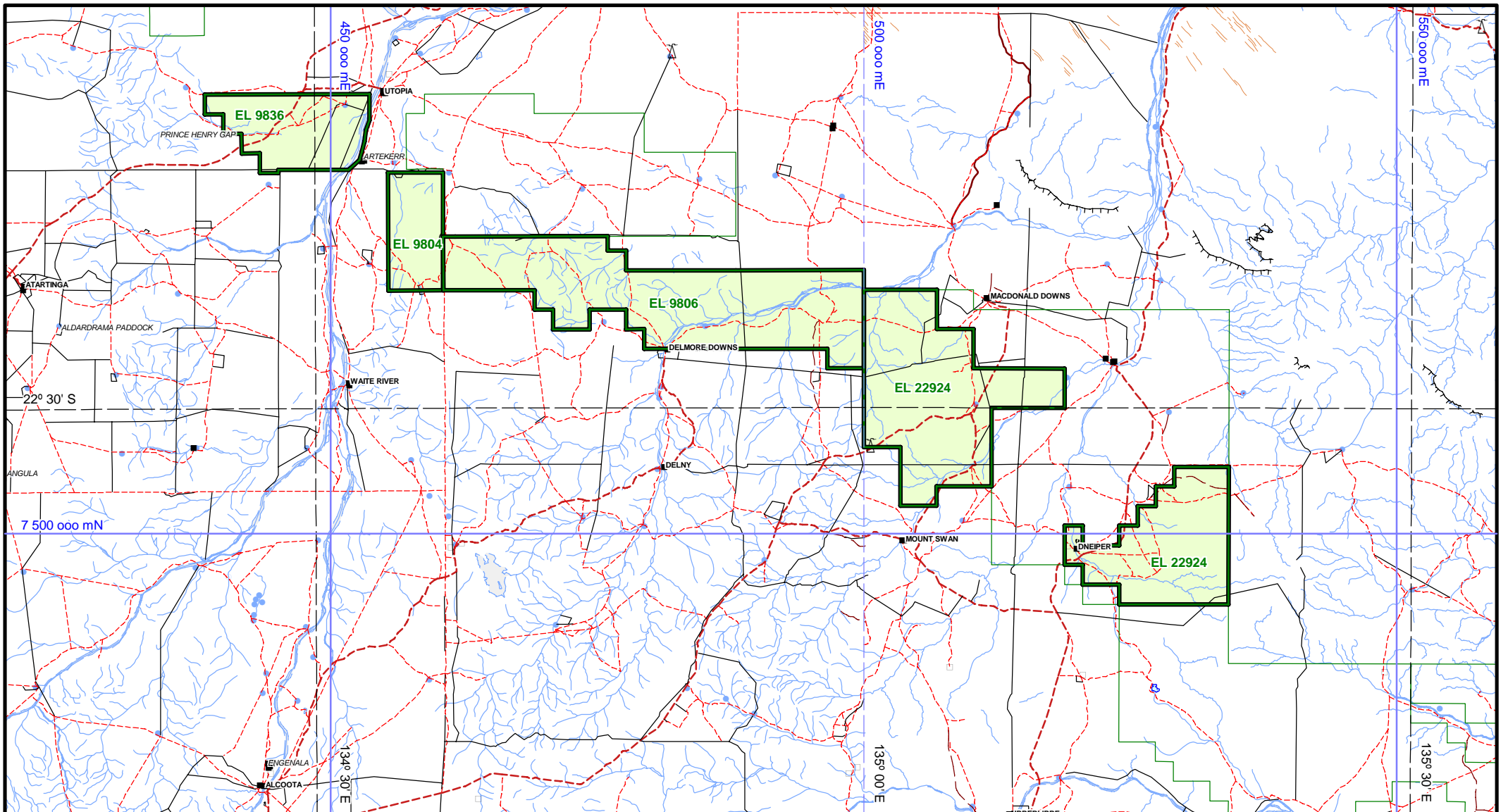


FIGURE 2

ORIGINATOR:
C. Rohde

DATE:
Jan 2007

DRAWN:
A. Weston

ALCOOTA

TANAMI GOLD NL

1 : 500,000

0 10 20 30

MGA Zone 53 (GDA94)

kilometres

TENEMENT LOCALITY

PLAN No: **CAP_AL_1_0_008**

For the purposes of conducting initial reconnaissance exploration of the remainder of the Alcoota Project, a 'self clearing' program was granted by the CLC in October 2003 whereby TENL could conduct a geological appraisal of the tenements and wide-spaced non-systematic ('grab') sampling to assess prospectivity.

4.0 PREVIOUS WORK

Previous exploration by TENL is detailed in Smith, 2003 and Rohde, 2004. No work was carried out in the second and third year of combined reporting apart from data reviews, which led to the relinquishment of a considerable amount of tenement area. The Alcoota project area was reduced in the period between December 2003 to December 2006 from nine granted Exploration Licences to four granted Exploration Licences and in area from 2,761 blocks (8,625 km²) to 250 blocks (780 km²).

Exploration in 2003 consisted of a regional assessment of the whole project area and a limited Aircore drilling program (Rohde, 2004).

The regional assessment, carried out by Dr. Jim Anderson, included an evaluation of topography, geology, metallogeny, MODAT occurrences, previous exploration and aeromagnetics together with field reconnaissance. Seventy-seven (77) rock chip samples and fourteen (14) lag samples were collected as part of the regional reconnaissance program, returning a number of highly encouraging results.

The Aircore drilling program of 15 holes for 1,327 metres tested two aeromagnetic targets with limited success. The best intersection in bedrock of 5 ppb Au over 4m - resampled to 1m at 18ppb Au - is associated with chloritic felsic gneiss. Weakly anomalous gold-copper in chlorite altered granitoid intrusions confirmed the potential for IOCG mineralisation in the tenement. Comprehensive testing was not possible due to Native Title Exclusion Zones and dense vegetation, which hampered rig access.

5.0 GEOLOGY

The Alcoota Project lies within the Northern Arunta Region of the North Australian Craton. The Arunta basement comprises Palaeoproterozoic – Mesoproterozoic metamorphic rocks and granites.

The project area covers parts of the 1:250,000 sheets, Alcoota (SF53-10) and Huckitta (SF53-11).

The local geology of each tenement has been discussed previously in Rohde, 2004 under Section 6.3 Desktop Review.

6.0 TENL EXPLORATION

During the year a reconnaissance exploration was carried out on the Ledan Corridor in Central Australia, which included the area of the Alcoota Project (**Plate 1**). A geological interpretation based on the NTGS fact mapping and the aeromagnetic data was conducted to better define the boundaries of the prospective Ledan Schist host unit. The Ledan schist is outlined on **Plate 1** and is considered to be a prospective host for gold mineralisation.

Selected outcrops of Ledan Schist along the entire length of the corridor were visited as well as the western extent of the mapped retrograde greenschist facies along the Delny-Mt Sainthill shear zone. A total of eight rock chip samples were taken from EL 22924 (**Plate 1**). Black mudstone and chloritic

meta-mafic rock with quartz-epidote alteration were recognised within a package of Ledan Schist meta-sediments on EL 22924. This area is believed to have potential for VHMS style mineralization.

All sample and assay data are included in the digital appendix. The only anomalous result was elevated copper from a malachite stained quartz vein at Perenti (644ppm Cu). Perenti' is a MODAT occurrence and is described in the Alcoota Explanatory notes (Shaw & Warren, 1975) as 'disseminated copper minerals in one of a series of quartz-breccia reefs in a large northwesterly shear zone, which cuts across the contact of the Mount Swan Granite. The Perenti reef is 850 m long and about 450 m wide. Drilling has proved copper values to be very low'. The Au tenor is not reported.

Further rock chip and lag sampling is planned.

7.0 EXPENDITURE AND EXPLORATION BUDGET

The annual expenditure and exploration programs and budgets have been and will be reported separately for each tenement at its individual anniversary date.

8.0 BIBLIOGRAPHY

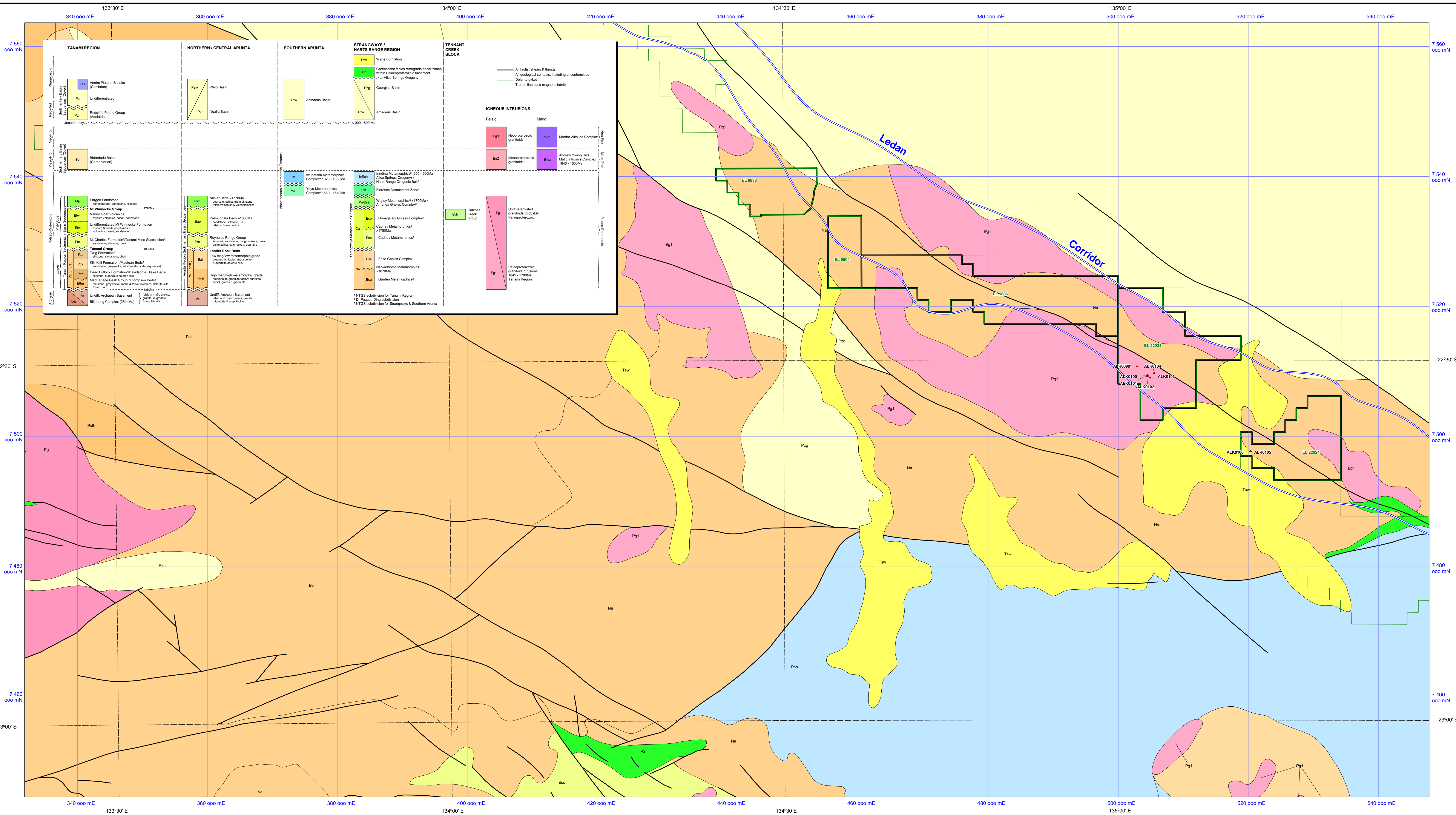
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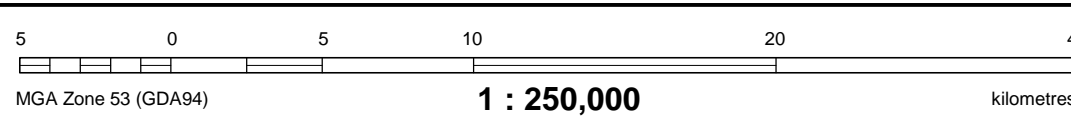


Geological Unit	Description	Age / Notes
Tsw	Waltia Formation	
Gr	Greenochist facies retrograde shear zones within Palaeoproterozoic basement	
Pzg	Georgina Basin	
Pza	Amadeus Basin	
Wp	Wopmay Metamorphic Complex	1800 - 800 Ma
Wp1	Wopmay Metamorphic Complex	
Wp2	Wopmay Metamorphic Complex	
Wp3	Wopmay Metamorphic Complex	
Wp4	Wopmay Metamorphic Complex	
Wp5	Wopmay Metamorphic Complex	
Wp6	Wopmay Metamorphic Complex	
Wp7	Wopmay Metamorphic Complex	
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TANAMI GOLD NL

ALCOOTA

INTERPRETED GEOLOGY & ROCK CHIP SAMPLING

ORIGINATOR: C.Rohde	DATE: Jan 2007	DRAWN: A. Weston
PLAN No: CAP_AL_2_002		

PLATE 1