18 February 2009

BY EMAIL: titles.info@nt.gov.au

Principal Registrar
Titles Division
Department of Regional Development, Primary Industry, Fisheries and Mines
5th Floor Centrepoint Building
Smith St Mall
DARWIN NT 0800

Dear Sir,

EXPLORATION LICENCES 5889 AND 23472
COMBINED ANNUAL REPORT – BIRRINDUDU PROJECT

The abovementioned exploration licences have been granted Combined Reporting status with an annual submission date of 28 February.

Exploration Licence 23472 expired on 27 January 2009. A Final Report is due by 27 April 2009 and will follow in due course.

Expenditure details are provided individually by tenement and an expenditure report for EL5889 was lodged on 18 September 2008.

Field exploration programs were reduced during 2007/2008 due to problems with the commissioning of the Coyote Gold Project.

Exploration comprised geological reinterpretation and target generation based on the 2006 results and new regional models of gold mineralisation. The next drill program, consisting of approximately 265 RAB/AC holes was designed and a Work Area Clearance proposal submitted to the Central Land Council.

A reconnaissance survey of the tenement was undertaken in July 2008 to assess access conditions to the area of the planned drill program. The CLC have advised that an on-ground clearance will be necessary prior to drilling: advice regarding dates of the clearance is pending. The drilling has been deferred to late in the 2009 field season.

Rehabilitation audits of 2006 drilling were completed in September 2008.

As no field work has been conducted on the tenement in the combined reporting period, we ask that this letter be accepted in lieu of the Combined Annual Report for the year ending 31 December 2008.
Should you require further information, please contact me on (08) 9212 5999 or email agraham@tanami.com.au

Yours faithfully,
TANAMI EXPLORATION NL

Alicia Graham
Land Manager