COMBINED ANNUAL REPORT

MLS119- 133, 153, 167, 168, 180

Central Tanami Project
GR26/09

From 1 January 2011 to 31 December 2011

Holders: Tanami (NT) Pty Ltd
Operator: Tanami (NT) Pty Ltd
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Date: February 2012
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Commodity: Gold
Datum/Zone: GDA94/Zone 52
250,000 Mapsheet: Tanami (SF52-15) The Granites (SF52-03)
100,000 Mapsheet: Pargee (4758) Tanami (4858) Frankenia (4857)

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o Tanami Gold NL, Perth - digital

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1.0 SUMMARY

On 30 March 2010 the tenements compromising the Central Tanami Project (CTP) were acquired by Tanami (NT) Pty Ltd (TNT), a wholly owned subsidiary of Tanami Gold NL, from Otter Gold NL (Otter), a wholly owned subsidiary of Newmont Asia Pacific.

The CTP is located approximately 659km northwest of Alice Springs (Figure 1).

Exploration consisted of a diamond core drilling program. The drilling represents the 2011 proportion of a major drilling campaign which commenced in May 2010 and is continuing in 2012. A summary of exploration per tenement is listed in Table 1 and the tenements are shown on Figure 2.

Table 1: Summary of Exploration Activities

<table>
<thead>
<tr>
<th>Tenement Number</th>
<th>Diamond Core Drilling</th>
<th>No of Samples</th>
<th>No of Analyses</th>
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<tbody>
<tr>
<td>MLS 119</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 120</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 121</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 122</td>
<td>2 holes; 244.2m</td>
<td>254</td>
<td>267</td>
</tr>
<tr>
<td>MLS 123</td>
<td>1 holes; 253.3m</td>
<td>141</td>
<td>149</td>
</tr>
<tr>
<td>MLS 124</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>MLS 125</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 126</td>
<td></td>
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<tr>
<td>MLS 127</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 128</td>
<td>3 holes; 833.3m</td>
<td>855</td>
<td>1136</td>
</tr>
<tr>
<td>MLS 129</td>
<td>4 holes; 1928.5m</td>
<td>1911</td>
<td>1802</td>
</tr>
<tr>
<td>MLS 130</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 131</td>
<td></td>
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<td></td>
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<tr>
<td>MLS 132</td>
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<tr>
<td>MLS 133</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLS 153</td>
<td>6 holes; 2,011.9m</td>
<td>1932</td>
<td>2238</td>
</tr>
<tr>
<td>MLS 167</td>
<td>13 holes; 4,710.2m</td>
<td>3166</td>
<td>3166</td>
</tr>
<tr>
<td>MLS 168</td>
<td></td>
<td></td>
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<tr>
<td>MLS 180</td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>29 holes; 9,981.4m</td>
<td>8259</td>
<td>9244</td>
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</table>

The aim of the 2011 drilling program was similar to the 2010 drilling program in terms of extending the known mineralisation limits which were defined primarily by the historic and the previous TNT drill records. The drilling focused on delineating extensions to known resources both at depth beneath optimised open pit shells and along strike through sparsely drilled continuations of the mineralisation trends.
CENTRAL TANAMI PROJECT LOCATION

ORIGINATOR: J. Rohde
DATE: Jan 2012
DRAWN: R. Chan

PLAN No: CTP_1_0_45

Scale 1:500,000
MGA Zone 52 (GDA94)

CENTRAL TANAMI GOLD NL
At the Repulse – Hurricane Deposit the drilling extended the mineralisation beyond the previous limits at depth, to the north and to the south.

At the Southern Deposit the geotechnical drilling helped to alter the existing historic open pit design to a preliminary design plan.

At the Carbine Open Pit the drilling returned a number of significant intersections and assisted the ongoing Carbine underground mine design studies.

At the Phoenix Open Pit the two holes encountered the down dip extensions of previously drilled mineralisation from within the current optimised pit shell.

The highest overall assay result returned was 40.6g/t gold from the 374.4m to 374.7m interval in hole HRDD0005. A list of significant intervals is appended (GR26-09_2011_GA_18_Sigdrillintervals.txt)

An updated CTP Resource estimate was completed incorporating results from drilling completed in 2011.

As an ongoing process the results of the metallurgical test work are amalgamated with previous results and modelled to ascertain specific recoveries for different states of oxidisation and mineralised lodes.

2.0 INTRODUCTION

The Central Tanami Project tenements are located approximately 659km northwest of Alice Springs (Figure 1). Main access to the tenements is via the Tanami Road to the Tanami Mine, (Figure 2). This report covers the exploration activities for the year ended 31 December 2011.

The CTP is situated on Aboriginal land within the Central Desert Aboriginal Land Trust administered by the Central Land Council (CLC). Open pit gold mining and ore treatment operations commenced at CTP in 1987. Mining operations ceased in September 2001 when the plant was leased by Newmont to treat ore from the Groundrush pit from October 2001 to October 2005. The plant was placed on care and maintenance in 2005 and rehabilitation works on all lease holdings were undertaken up to March 2010. Minimal exploration work was undertaken within the tenements during the period from 2001 to 2005 with no exploration activities between 2005 and 2010.

Access to the area is by air or via the Tanami Highway. A basic network of pre-existing and newly formed tracks link individual prospect areas. The nearest settlement is the Rabbit Flat roadhouse 40km to the southeast.

The climate is semi-arid with rainfall averaging approximately 400 mm per annum. Most rainfall occurs as summer storms associated with the monsoon season between November and March. Daily temperatures range from winter minima of near zero to summer maxima of about 48C. The
mean maximum temperature ranges from 26°C in June/July to 39°C in November/January. The area
is devoid of surface water except in small soaks after heavy rain. The Tanami Desert in which the
leases are situated is typically dominated by smooth plain-lands widely covered in aeolian sand
with a vegetation cover described as tall open acacia scrubland with a hummocky grass under-
story (spinifex).

3.0 TENURE

The Central Tanami Project tenements, currently compromising nineteen Mineral Leases, were
owned by Otter Gold NL. Normandy Mining took a controlling interest in Otter Gold Mines Ltd and
the associated Tanami Mine JV in January 2002. Newmont Mining Corporation acquired 100%
ownership of both companies in early 2003.

On 30 March 2010, TNT, a wholly owned subsidiary of Tanami Gold NL, purchased a number of
tenements including the Mineral Leases comprising the CTP from Otter Gold NL, a wholly owned
subsidiary of Newmont Asia Pacific.

Tenements comprising the CTP are listed below in Table 2 and shown in Figure 2.

Table 2

<table>
<thead>
<tr>
<th>Tenement No.</th>
<th>Tenement Name</th>
<th>Area Ha</th>
<th>Grant Date</th>
<th>Expiry Date</th>
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<tr>
<td>MLS 119</td>
<td>Reward</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 120</td>
<td>No 1 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 121</td>
<td>No 2 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
</tr>
<tr>
<td>MLS 122</td>
<td>No 3 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 123</td>
<td>No 4 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
</tr>
<tr>
<td>MLS 124</td>
<td>No 1 North</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
</tr>
<tr>
<td>MLS 125</td>
<td>No 2 North</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 126</td>
<td>No 3 North</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
</tr>
<tr>
<td>MLS 127</td>
<td>No 4 North</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 128</td>
<td>No 5 North</td>
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<td>15-May-64</td>
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<td>No 6 North</td>
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<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 130</td>
<td>East Block</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 131</td>
<td>No 5 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 132</td>
<td>No 6 South</td>
<td>8.09</td>
<td>15-May-64</td>
<td>31-Dec-30</td>
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<tr>
<td>MLS 133</td>
<td>South-East Block</td>
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<td>15-May-64</td>
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<tr>
<td>MLS 153</td>
<td>Tanami Extended</td>
<td>1000.00</td>
<td>05-Oct-90</td>
<td>4-Oct-15</td>
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<tr>
<td>MLS 167</td>
<td>Matilda</td>
<td>1877.00</td>
<td>13-Oct-95</td>
<td>31-Dec-20</td>
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<tr>
<td>MLS 168</td>
<td>Enterprise</td>
<td>711.90</td>
<td>13-Oct-95</td>
<td>31-Dec-20</td>
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<tr>
<td>MLS 180</td>
<td>Molech</td>
<td>803.60</td>
<td>18-Nov-98</td>
<td>31-Dec-22</td>
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4.0 GEOLOGY

(From Parker 2006)

The regional lithogeological map of the Tanami is illustrated in Figure 3. The current mining leases are represented as green boundaries, and contain units of the Mount Charles Beds. The ‘Mine Basalts’ (Tanami Sequence) comprising basalts with intercalated thin to thick turbidites are traced through MLS 119-133/153/167, the Jims Find area (MLS 168) and into the Molech tenement area (MLS 180), where they host the mineralisation of Beaver Creek, Bonsai and Banjo. Of note are the ‘Mine Corridor’ basalts and sediments in close proximity to large granite plutons. These intrusives are hypothesised by some to be partially responsible for the emplacement of mineralisation.

Regolith – The ‘Tanami Mine Sequence’ is masked by a 20-50m deep regolith profile. The profile consists of a transported cover of relict material 3-20m thick, underlain by a 6-30m thick mottled clay zone. The weathering profile can extend down to a depth of approximately 100m and is best developed in basaltic units.

Lithology – The Palaeoproterozoic Mt Charles Beds that host the ‘Tanami Mine Sequence’ consists of interbedded intrusive and extrusive mafic units and fine to coarse-grained marine sediments. This package dips variably between 50º and 70º from horizontal. In MLS 119 – 133/153 /167, the ‘Tanami Mine Sequence’ has been divided into six stratigraphic units:

Bouncer Basalt; Hurricane Sediment; Redback Complex Basalt; Harleys Sediment; Footwall Complex Basalt and Felsic Dykes.

A coarse grained quartzose package of mesoproterozoic sediment (Gardiner Sandstone) unconformably overlies the Mt Charles Beds in some areas of the mineral leases. This package is thought to be of post mineralisation age and is not considered prospective.

Basalt – Major basalt units are composed of multiple 4-25m thick individual flows separated by narrow bands of sediments or flow top breccias. Three distinct basaltic facies have been recognised and include massive basalt, brecciated basalt and pillow basalt.

Sediments – The Mt Charles Beds consist of intercalated laminated carbonaceous shale, mudstone to siltstone, sandstone as well as coarse matrix and clast-supported polymictic sedimentary breccia. All sediments are of basaltic provenance.

Intrusives – Several small scale felsic to intermediate dykes have been recorded throughout the mine sites.

4.1 Structure

Three episodes of deformation are recognised within the ‘Tanami Mine Sequence’.

1. Pre-mineralisation structures include syn-depositional extensional growth faults and low angle thrusting. Production of a bedding parallel cleavage.
**INTRODUCTION**

- **Microgranites** - more magnetically responsive
- **Undifferentiated granitoid stocks/bores**

**REGIONAL GEOLOGY**

- **UPPER TANAMI COMPLEX**
  - Basalts pillowed to massive with intercalated thin-bedded to thick-bedded turbidites
  - Interpreted undifferentiated sediments below the "Mine Basalt" Sequence
  - Mafic to intermediate intrusives with schists and psammitic to pelitic meta sediments

- **Undifferentiated lower Tanami Complex**
  - magnetically high responsive units

**LOWER TANAMI COMPLEX**

- **Fault with apparent displacement**
- **D3 Fault / Thrust in high strain domains**
- **D1/D2 Thrusts (Plates and Ramps)**
- **Trends**
- **Structural Reference**
  - "BREAKAWAY" "SANDSTONE"
  - "WILD TURKEY" "SANDSTONE"
  - "BLACK NOB" "CALC ARENITES"
  - "CAMP" "SILTSTONE"
  - "LOWER" "SEQUENCE"
  - "FLORES" "COMPLEX"

**LEGEND**

- **GTB** - Batholithic Granitoids
- **GMO** - Microgranites - more magnetically responsive
- **GTO** - Undifferentiated granitoid stocks/bores
- **SPO** - Sandstone - upper units
  - Gardiner Sandstone
  - Pebbly sandstone / conglomerate / Sandstone - lower units
  - Gardiner Sandstone

- **SHO** - Homatitic sandstone / siltstones poorly bedded to massive units with thin bedded units
- **SIT** - Thin to thick bedded sandstone / siltstone - quartz and mica rich provenance
- **GARDINER SANDSTONE** - Thin bedded calc-arenites calc- lutites

- **Undifferentiated granitoid stocks/bosses**
- **Interpretation Reference**
  - GTB
  - GMO
  - GTO
  - SPO
  - SHO
  - SIT
  - GARDINER SANDSTONE
  - "WILD TURKEY" "SANDSTONE"
  - "BREAKAWAY" "SANDSTONE"
  - "BLACK NOB" "CALC ARENITES"
  - "CAMP" "SILTSTONE"
  - "LOWER" "SEQUENCE"
  - "FLORES" "COMPLEX"

**PLAN No:** CTP_2_007

**Scale:** 1:100,000

**MGA Zone 52 (GDA94)**

**CENTRAL TANAMI INTERPRETED REGIONAL GEOLOGY**

**ORIGINATOR:** J. Rohde

**DATE:** Jan 2012

**DRAWN:** R. Chan

**PLAN No:** CTP_2_007

**TANAMI GOLD NL**

**FIGURE 3**

**Trends**
2. Mineralised structures include complex arrays of dominantly strike-slip faults (with demonstration of both apparent dextral and sinistral movement). In MLS 119-133/153/167 mineralisation is associated with structures trending 350-010°, 020-040° and 060-080° from magnetic north, dipping 45-90° to the east or southeast. Apparent displacement on mineralised structures is variable and has been demonstrated from >5 strike metres to 100 strike metres. In MLS 168 the dominant mineralisation is associated with 000° trend from magnetic north dipping steeply to the west which is disrupted by complex faulting and shearing. Mineralisation at Molech (MLS 180) is developed along two structural trends 020° and 040° from magnetic north, dipping steeply to the west. Cross cutting faults disrupt the ore bodies by up to 30 metres.

3. Post-mineralisation structures include bedding plane reactivation (apparent reverse and normal), reverse slip faults and east-west trending dip-slip faulting. These east-west striking faults are interpreted to be the last significant fault movement influencing the Tanami Mine mineralisation.

As basalts are generally more competent than sediments, they display the features of brittle deformation, such as extensive stockwork development and cataclastic fracture. As a whole, the mine sequence has behaved in a predominantly brittle character, due to the thickness and continuity of basaltic units.

4.2 Alteration and Veining

In MLS 167 the alteration and anomalous gold grades are more strongly developed in the hanging wall of shear zones. Alteration assemblages include haematite, sericite, ankerite, quartz and pyrite. The Jim’s Find area (MLS 168) displays a greater level of alteration than MLS 167 lease, with greater masking of primary lithological characteristics. Alteration assemblages at Molech (MLS 180) are similar to MLS 167 and include haematite, sericite, quartz and pyrite.

4.3 Mineralisation

Gold mineralisation is structurally hosted within basalt and medium to coarse grained sediments along shear structures and their associated alteration haloes. Mineable ore reserves within the Tanami Mine Sequence are largely confined to basaltic units and are discrete, due to the oblique strike of mineralisation. Gold occurs as coarse free gold particles to 5µm in diameter. Within the quartz-carbonate veins and breccia zones and as micron sized inclusions within pyrite and chalcopyrite associated with veins and altered wallrock. Silicification is variable within MLS 168 area being of lower quartz vein development than the MLS 167 and MLS 180 areas.
4.4 Prospect geology of the Hurricane Repulse Deposit

(from Oestreich 2010)

The host geology of the mineralisation is a northwest dipping sequence of interbedded basalts and volcaniclastic–sedimentary rocks. The basalts, often displaying pillow texture, have been interpreted as forming within an intra-cratonic setting; this is reinforced by the abundance of haematite and metamorphic detritus within the interbedded sediments. Metamorphism is generally low grade with excellent preservation of primary textures.

Gold mineralisation tends to be associated within a series of structurally controlled steeply dipping quartz-carbonate veins, commonly at the intersection of two dominant structures eg 020° – 060° for the Tanami Corridor or 130° – 040° for the Beaver Pit (MLS180). The intersections generally coincide with the majority of identified ore bodies. These intersections tend to produce steep plunging relatively high grade shoots of limited strike extent (100 - 300m) with modest vein development along the strike of individual structures.

At Hurricane Repulse pit the mineralisation strikes approximately 036° magnetic and extends from the Bouncer Basalt unit into the Hurricane Sedimentary Sequence. There are two sub-parallel east dipping structures. The mineralisation also appears steeply to sub vertical dipping and trends 060° magnetic. The best intervals occurred in the Redback basalt.

5.0 PREVIOUS EXPLORATION

Exploration work on tenements of the CTP has been carried out over 20 years by the several companies and various joint ventures:

- Prior to 1990 Zapopan
- Jan 2002–Early 2002 Normandy Mining
- Early 2002 – March 2010 Newmont Mining Corporation
- March 2010 onwards Tanami NT

At the time of writing this report only limited information of exploration prior to 2001 was available. In 1995 and 1996 TMJV carried out exploration including RAB, RC and DD and mining on MLS167 and re-evaluation of the potential of MLS 153 using detailed helimagnetics as well as previous operator’s (Zapopan) exploration and grade control data.

In 2001 and 2002 exploration focused on extending resources around existing pits at Dinky (MLS 153), Camel Bore (MLS 168) and between existing pits at Banjo and Orion (MLS 180). Trenching and RC drilling was undertaken at Typhoon to define a mineralised trend northeast of Dingo, Hurricane and Dice Pits in MLS 153. A summary of the 2001 exploration per tenement is listed in Table 3.
Table 3  Summary of Exploration 2001

<table>
<thead>
<tr>
<th>Tenement No</th>
<th>Prospect</th>
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<th>RC Drilling</th>
<th>Trenching</th>
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<td>Typhoon</td>
<td>-</td>
<td>8 holes, 336m</td>
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</tr>
<tr>
<td>MLS 153</td>
<td>Dinky</td>
<td>-</td>
<td>1 hole, 42m</td>
<td></td>
</tr>
<tr>
<td>MLS 168</td>
<td>Banjo</td>
<td>-</td>
<td>11 holes, 646m</td>
<td></td>
</tr>
<tr>
<td>MLS 168</td>
<td>Camel Bore</td>
<td>-</td>
<td>4 holes, 266m</td>
<td></td>
</tr>
<tr>
<td>MLS 180</td>
<td>Orion</td>
<td>10 holes, 600m</td>
<td>18 holes 2372m</td>
<td></td>
</tr>
</tbody>
</table>

Geological mapping was compiled into 3D digital format for the Legs, Carbine, Jim’s Main and Beaver Creek Pits.

Mining undertaken by Otter Gold Mines Ltd involved open cut operations in MLS 167, MLS 168 and MLS 180.

Exploration at the TMJV stopped in March 2001 shortly before mining operations ceased in August-September 2001.

In 2003, an Induced Polarisation (IP) orientation line (1.1km on 7770175mN) was undertaken south of Jim’s Main Pit (MLS 168) which identified a chargeability anomaly.

During 2004 seven RC holes on two drill traverses followed up on the 2003 Induced Polarization (IP) geophysical survey south of the Jims Main pit (MSL 168) with disappointing results. The source of the conductivity anomaly could not be determined, other than speculating as to whether it relates to weathering.

During 2005 a gravity survey was completed. The survey was carried out to get a better understanding of the large structures in the area, especially the intrusions.

A new TEM survey was flown in July 2005. The area covered 10km by 38km, part of which covered areas within MLS 119 – 133, with 7km lines at 200m line spacing. The objective of the survey was to map out the sulphides along the Tanami Mine Sequence.

No exploration was conducted between January 2006 and March 2010. Work on the TMJV focused on rehabilitation of the areas disturbed by mining.

Exploration in 2010 was undertaken by TNT and consisted of an intensive Reverse Circulation and Diamond Core drilling campaign (295 holes for 49,801.07m) which commenced in May 2010 shortly after the acquisition was completed and Traditional Owner and Government approvals were received. The results of a major drilling campaign have defined extensions to all drilled deposits and identified a number of new zones of mineralisation. Mineralisation encountered in all the deposits drilled remains open at depth and as such further down dip or down plunge extensions to mineralisation are probable. An updated CTP Resource estimate was completed incorporating results from drilling completed in 2010 and resulted in a substantial increase of the Resource in comparison to the April 2010 estimate. The results of metallurgical test work have shown a considerable variance in lode characteristics across the project.
6.0 EXPLORATION COMPLETED

6.1 Drilling

In 2011 diamond core drilling was completed at four prospects on six mineral leases totalling 29 holes for 9,981.4m. The aim of the drilling at CTP was to continue to test the extension of the known mineralisation beyond the current limits.

All drill sampling data is included in the digital appendix, while all drill holes locations are shown on Plate 1, 2. Exploration statistics per tenement are listed in Table 1.

The drilling was predominantly diamond core drilling supplemented by tri-cone roller pre-collaring through near surface weathered horizons. The core selected for sampling was split in half. The ½ core sample interval length varied between 0.1m and 2.2m. The HQ core size was reduced to NQ2 when competent ground was reached. The tri-cone roller sections were not sampled while select core drilling samples were assayed at SGS Laboratories in Perth for Au and limited number for As. The remaining half cores are stored at the CTP site (Central core farm). All cores and drill samples were surveyed with a portable magnetic susceptibility meter in 1m intervals in order to identify relationships between lithological units and alteration mineral assemblages when building geological models.

Several quarter core and ten RC samples were sent to Ammtec laboratories Perth for metallurgical test work. The remaining half cores are stored at the CTP site.

A summary of significant intersections is appended (GR26-09_2011_GA_18_Sigdrillintervals.txt)

6.1.1 Repulse – Hurricane Deposit (MLS 128, MLS 129, MLS 153)

The Hurricane Repulse Prospect is located on MLS 153. The area to the north of Hurricane Repulse was drilled by Zapopan NL in the 1990s with RAB and RC. A resource had been outlined and a pit optimisation was also created at the end of October 2001.

The mineralisation is interpreted to occur in three main plunging shoots within the north-south trending fault zone that cross-cuts the sediment-basalt sequence. This principal mineralised structure is open at depth along the entire 1.3 kilometres north-south strike of the open pit.

The 2011 drilling (HRDD0005, 7 - HRDD0017) was designed to test the possible extension of the mineralisation under the proposed 2001 pit, at depth and to the north and south.

Diamond hole HRDD007 targeted the possible extension of the mineralisation below the base of the current Hurricane-Repulse open pit and approximately 80 metres deeper than previous drilling.

Diamond hole HRDD007 intersected a substantial mineralised zone of 14.2 metres @ 3.9g/t Au from 396.5 metres down hole including a higher grade core of 7.1 metres @ 5.9g/t Au from 400.4 metres (Figure 4). This intersection is approximately 160 metres below the base of the current Hurricane-Repulse open pit and some 80 metres deeper than previous drilling.
Figure 4 Hurricane Deposit Schematic Cross Section showing new mineralised zone intersected in HRDD0007.
HRDD00010 and HRDD0011 were drilled to test southern strike extension at depth and to follow up of the good grades in previously completed holes (HRRC0028, HRDD005 and HRDD007).

HRDD0011 intersected a wide zone of high grade mineralised of 2.4m @ 8.1g/t and 25.2m @ 3.1g/t Au, approximately 20m down dip of HRDD0007. Gold mineralisation is hosted within strongly leached, veined and brecciated basalt.

HRDD0012 was designed to test for deep extensions of the mineralisation. It encountered eight anomalous 1m intersections with the best being 1.83g/t from 90.1 m.

Hole HRDD0013 was designed to test the deep mineralisation extensions at Hurricane for underground potential between HRDD0007 and HRDD0010. The hole utilized the same collar location as HRDD0007 but was drilled using a different azimuth which was turned to the W ~20deg of HRDD0007. Hole HRDD0013 encountered only one 1 metre interval with significant mineralisation (2.12g/t) at 292.2m.

HRDD0015, HRDD0016 and HRDD0017 were designed to test the near down dip and strike extent of this zone. Although zones of alteration and deformation were intersected, results proved disappointing with the best intercepts of 2m @ 6.03g/t and 3.87m @ 2.17g/t Au from in HRDD0017 and HRDD0015, respectively. This may suggest that a very limited extent to wide high grade mineralisation at Hurricane as a result of the intersection of 020° and 060° structures. Further work is required to determine the significance of these results.

Hole HRDD0014 intersected a new zone at the relatively shallow down hole depth of 144 metres (Figure 5). The wide zone of 30.2m @ 3.8g/t Au is hosted within highly veined and brecciated carbonaceous shale (Pale Sediments). The new zone of mineralisation was identified approximately 40 metres into the hanging wall of what was previously thought to be the host boundaries of the Hurricane system. This zone may be a reverse faulted section of the main Hurricane mineralised trend, as is seen throughout the pit or may be a new previously unknown mineralised trend. This new zone remains open along strike and down dip. Further drilling is required to determine the nature of this mineralisation.

6.1.2 Southern Deposit (MLS 122, MLS 123, MLS 153)

The drilling (hole numbers SODD0014 - SODD0017) under the existing pit aimed to confirm geotechnical conditions of the proposed open pit at Southern. These holes were assayed for gold as they were predicted to pass through potential zone of mineralisation.

The holes were reviewed by a geotechnical consultant and then samples were taken and sent to SGS laboratories in Perth. Results confirmed the previously encountered grades and were used to update the mineralisation interpretation.
6.1.3 Carbine Open Pit (MLS 167)

Carbine was previously mined by open pit methods to a maximum depth of 103 metres, yielding over 90,000 ounces of gold at an average mined grade of 2.7g/t. Diamond and RC drilling by Otter (before 2001) identified a strongly mineralised system extending over 1,200 metres down plunge with the mineralisation open in most directions.

At Carbine, the 2011 infill and extensional drilling aimed for the deeper resource area which is targeted for future underground mining.

CADD0018 and CADD0019 were completed in the north eastern part of the prospect, targeting the modelled lode at 80m intervals along strike, and 40m down dip of existing data. Holes CADD0020 and CADD0021 were designed to hit a second potential lode 40m up dip of CADD0008 mineralisation. Hole CADD0020 confirmed the potential of a further lode, as strong silica/hematite/altered BV with moderate sulphides were intersected between 585 and 605m.

CADD0021 and CADD0022 were designed to test the deeper structures and to hit potential lodes under last year’s CADD0008 mineralisation. Hole CADD0021 has confirmed the potential lode with intense hematite-silica altered basalt breccia with moderate sulphides sighted at 488 – 504m interval. Hole CADD0022 also confirmed a potential lode as bleaching, epidote altered basalt with moderate sulphides was sighted between 460 and 480m.

Two holes CADD0023 and CADD0024 were drilled to further understand metallurgical variation within the Carbine deposit.

At Carbine the drilling returned a number of significant intersections including 7.6 metres @ 3.0g/t Au from 174.1 metres in CADD16, 6.0 metres @ 5.1g/t Au from 376.0 metres in CADD20 and 9.6 metres @ 2.3g/t Au from 643.7 metres in CADD21. The results including metallurgical variations were incorporate into the ongoing Carbine underground mine design studies which made substantial advances see Figure 6.

6.1.4 Phoenix Open Pit (MLS 167)

The two diamond holes (PHDD0001 & PHDD0002) drilled at Phoenix, located 500 metres south of Carbine in a parallel structure, were designed to target the down dip extensions of previously encountered mineralisation from within the current optimised pit shell.

Both returned significant intersections of 2.9 metres @ 12.1g/t Au from 144.0 metres and 5.5 metres @ 2.0g/t Au from 183.7 metres in PHDD1 together with 2.4 metres @ 4.5g/t from 230.9 metres in PHDD2.
Figure 6  Carbine Deposit Long Section showing conceptual underground development and significant intersections from the 2011 drilling.
6.2 Metallurgical Test Work

Metallurgical test work was conducted with samples of mineralised core and RC intervals from the Carbine, Southern and the Hurricane deposit locations. These samples were representative of the various oxidation states of the lodes while the principal focus was on fresh unweathered material.

The results are to be compiled with previous results and modelled to ascertain specific recoveries for different oxidation states and mineralised lodes. Data collection of this type is an ongoing process over multiple deposits and will continue as drilling continues.

6.3 Mining at the Central Tanami Project

The Tanami Mine Joint Venture (Newmont Tanami Pty Ltd and Anglo Gold) closed the Tanami Mining Operations in October 2001. No mining has been undertaken in the period between closure and 31 December 2011.

The CTP comprises multiple gold deposits within economic trucking distance of a 1.2Mtpa treatment facility.

An updated CTP Resource estimate was completed incorporating results from drilling completed in 2011. Details of the estimate are summarised below in Table 4.

A pre-feasibility study into recommencement of mining operations at CTP was undertaken during 2011 and is nearing completion.

6.4 Geotechnical Assessment

In September 2011 TNT commissioned Peter O'Bryan & Associates to complete a preliminary assessment of the ground conditions influencing the stability of proposed development and stoping at the Carbine Underground Deposit (MLS 167).

In November 2011 TNT also commissioned Peter O'Bryan & Associates to complete a geotechnical assessment of three Central Tanami open pits being Southern (MLS 122 & 123), Beaver (MLS 180) and Jim’s Main (MLS 168). Results will be incorporated in the feasibility study.

The two complete reports are included in the digital appendices.
Table 4  Central Tanami Project Mineral Resources by Tenement as at 30 September 2011*

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</tbody>
</table>

*Figures have been taken from Tanami Gold NL Quarterly Report For The Period Ending 30 September 2011 to the ASX.
7.0 BIBLIOGRAPHY


Tanami Mine Joint Venture 1996 Annual report MLS 167. Author is unknown.

Tanami Mine Joint Venture 1996 Annual report MLS 153. Author is unknown