



31 July 2018

## UPDATE ON CENTRAL TANAMI PROJECT

### Exercise of the first put option

Tanami Gold NL (**Company**) wishes to advise that, consistent with its previous announcement to ASX dated 27 June 2018, the Company has exercised the first put option granted to it under the joint venture agreement with Northern Star Resources Limited (**Northern Star**) in respect of the development of the Central Tanami Project.

Accordingly, the Company will now proceed to sell to Northern Star a 15% undivided interest in the Central Tanami Project to Northern Star for \$20 million in cash. Settlement of the exercise of the first put option is expected to occur on or around 14 September 2018. Following completion of the transaction, the respective interests of the Company and Northern Star in the Central Tanami Project will be 60% and 40%.

Northern Star is required under the terms of the joint venture to sole fund all joint venture related expenditure until "commercial production" has been achieved, which is defined as the date on which the process plant at the Central Tanami Project has been refurbished to operating condition and has operated for a continuous 30-day period or has produced 5,000 ounces of gold ore (whichever occurs first). Following the achievement of "commercial production", Northern Star will earn a further 35% undivided interest in the Central Tanami Project, taking its total joint venture interest to 75% with the Company continuing to hold a 25% interest (assuming the second put option is not exercised by the Company).

**Gerard McMahon**  
Chairman