



QUARTERLY REPORT

FOR THE PERIOD ENDING 31 MARCH 2003

HIGHLIGHTS

LAKE MACKAY JOINT VENTURE (Newmont earning 60%)

Newmont Mining Corporation (Newmont) commenced fieldwork in mid February 2003 completing a lag and rockchip sampling program as infill to anomalies generated by the 2002 sampling program. A small vacuum drill program has also commenced. Results are awaited from both programs.

BARRICK JOINT VENTURES (Barrick earning 51%)

Barrick Gold of Australia (Barrick) will mobilise to site in late April 2003. Initial programs will include the Bramall Trend where two RAB/aircore drill rigs will follow-up anomalies generated by the 2002 programs.

In addition, work will commence on the Northern Territory Joint Venture tenements where access for drilling has been approved by the Central Land Council (CLC) for the SW Pargee tenement and Work Area Clearance by the CLC is planned for the Suplejack and Birrundudu tenements.

HARTS RANGE PROJECT (Tanami Gold 100%)

The Company commenced fieldwork on its 100% owned tenements in the Harts Range area in late March 2003. A helicopter supported stream sediment sampling program was completed in mid April as follow-up to the anomalous results returned from the 2002 reconnaissance program.

KINTORE JOINT VENTURE (Tanami Gold earning 35% and Troy Resources earning 65%)

A Deed for Exploration has been signed by the traditional owners and has been lodged with the Federal Minister for his consent. It is anticipated that the tenements will be granted in May 2003. The CLC anticipate that Work Area Clearance programs will commence in early May 2003 and the Company is planning a mid-June 2003 start-up for exploration.

DRILL PROGRAMS

As follow-up to 2002 programs and as first-pass coverage on a number of tenements, the Company is planning a RAB/aircore drill campaign to commence in June 2003. Drill targets are defined on the Company's gold properties at Mt Davidson, Solitaire, Mt Doreen, Yuendumu Joint Venture and Hale River. In addition, gold-copper targets will be tested at Mt Hardy (Mt Doreen Project) and the Mueller Creek project.

The June 2003 start-up to drilling allows the Company to minimise drill rig mobilisation costs to Alice Springs by utilising a single contractor to drill out a mix of newly developed (2003) and existing (2002) targets.

CORPORATE

Board/Management

In accordance with exploration management succession plans, Mr Martin Kavanagh will become a Non-Executive Director effective 1 July 2003 with ongoing technical consulting services to be provided to the Company by Mr Kavanagh as required. Mr Kavanagh has managed the Company's exploration programs since 1994 and has been responsible for building the Company's large tenement position in the Tanami-Arunta Province in Central Australia which has attracted a number of joint venture partners to the region.

Having established a strong technical team, Mr Kavanagh will hand over responsibility for the Company's exploration management to the Company's Exploration Manager, Mr Tim Smith.

Web Site

The Company's web site is www.tanami.com.au.

EXPLORATION REPORT

MT DOREEN PROJECT (Tanami Gold 100%)

Following the encouraging results from the 2002 program, the Company is planning to commence infill RAB drilling (in June-July 2003) of regional vacuum drill anomalies at Mt Hardy and to continue the regional RAB drill program in the Pyramid Hill area (Clark and Weaner Bore prospects, see Figures 1 and 3).

YUENDUMU JOINT VENTURE (Tanami Gold 60%, earning 80%)

The Company has recently earned a 60% interest in EL 8434 by the expenditure of \$250,000. Exploration to date has been on tenements now relinquished and on the southern half of EL 8434.

The northern half of EL 8434 has yet to be cleared by the Central Land Council (CLC). It is anticipated that clearance will be completed by June 2003 ahead of the scheduled start-up of RAB drilling in the district (see Figure 1).

Of particular interest is the work being carried out by Newmont on the Company's contiguous (to the west) Lake Mackay Joint Venture tenements. A series of regional gold and basemetal anomalies have been outlined by Newmont, trending into the Yuendumu Joint Venture tenement (see Figure 3).

MT DAVIDSON PROJECT (Tanami Gold 100%)

The Company has consolidated its Mt Davidson Project to 15 blocks covering Dead Bullock Soak Formation lithologies north from the Mt Davidson Outstation. Discussions with the CLC on gaining access to drill within a small part of the Exclusion Zone surrounding the Outstation are continuing.

The Priority-1 target within the Exclusion Zone has remained undrilled since the grant of tenure in 1999. A further review of the data has generated two additional 'structural' targets for drilling.

The Company is planning a RAB drill campaign over several projects in the district including Mt Davidson in late June 2003 (see Figure 1).

SOLITAIRE PROJECT (Tanami Gold 100%)

Three specific target areas have been identified from a review of previous exploration work. This review together with recently presented data (March 2003) from the Northern Territory Geological Survey (NTGS) highlights the main Trans Tanami Fault (TTF) corridor as being an important structural control in focussing gold mineralisation. The locally named Granites and Callie TTF strike through the main Solitaire tenements and are associated with widespread low level gold anomalies in transported overburden.

The Company has identified three undrilled target zones within the tenements adjacent to zones of anomalous gold values in shallow drilling. These targets will be RAB/aircore drilled in June-July 2003 (see Figure 1).

JOINT VENTURES

BARRICK GOLD JOINT VENTURES (Barrick earning 51%)

Following the wet season break, Barrick will mobilise to site in late April 2003. Programs will commence on the Bramall Trend (Larranganni Joint Venture) with two RAB/aircore rigs following up anomalies generated in 2002 (see Figure 2). Targets include the Bikini Prospect where drilling has outlined a significant gold-arsenic anomaly over 4.5 kilometres strike and up to 1.5 kilometres wide. Limited detailed drilling on 250 x 100 metre spacing over 1 kilometre of this total strike has returned broad gold anomalous intersections with 3 holes returning +1g/t Au intersections over one metre intercepts. The results are considered highly encouraging, especially when the strong arsenic association is taken into account (two holes returned +1000ppm As assays).

At the Bora Bora Prospect, 500 x 500 metre spaced aircore drilling (in 2002) returned encouraging results with one hole returning a +1g/t Au assay from bedrock. This result is considered very encouraging as much of the previous anomalism in the area was in transported rather than residual material.

Drilling is also planned for the Slatey Creek Project (WA Joint Venture) where results from 2002 regional drill programs along a major Trans Tanami Fault structure returned values of 4 metres @ 73ppb Au, 8 metres @ 27ppb Au, 29 metres @ 25ppb Au and 8 metres @ 26ppb Au on 500 x 500 metre spacing.

In the Northern Territory (Northern Territory Joint Venture) access for drilling on the SW Pargee tenement was received in late 2002. RAB and vacuum drill programs are planned for the tenement.

Over the wet season break the Supplejack and Birrundudu exploration licences were granted. Work programs have been submitted to the Central Land Council (CLC), however no date has yet been set for Work Area Clearance on the tenements. A low level aeromagnetic survey was flown over the tenements in January 2003.

LAKE MACKAY JOINT VENTURE (Newmont earning 60%)

Newmont have completed an infill sampling program over anomalies generated in 2002 (see Figure 3). A helicopter supported program commenced in mid February 2003 with a second helicopter arriving on site at the end of March.

The program of infill lag and rock chip sampling is being carried out within verified gold and/or multi-element pathfinder anomalies (see Figure 3) at sample spacings of nominally 500 x 200 metres. A small vacuum drilling program is currently in progress to determine the bedrock and regolith characteristics of one of the gold anomalies. A total of 659 lag and 287 rock chip samples were collected during the quarter.

Results from the program are not yet available, however it is anticipated that a RAB/aircore drill program together with further sampling will be carried out in the June 2003 quarter.

KINTORE JOINT VENTURE (Tanami Gold earning 35% and Troy Resources earning 65%)

A Deed for Exploration has been signed by the traditional owners and has been lodged with the Federal Minister for his consent. It is anticipated that the tenements will be granted in May 2003. The CLC anticipate that Work Area Clearance programs will commence in early May 2003 and the Company is planning a mid-June 2003 start-up for exploration.

The two Exploration Licences are centred on the remote Kintore Community 400 kilometres west of Alice Springs (see Figure 1).

Within the southern tenement EL(A) 23414, the Company is targeting gold mineralisation in Proterozoic basement exposed in domal structures through the younger Amadeus Basin sediments. An area of 200 km² has been identified from the interpretation of Landsat 7 satellite imagery where both structure and outcrop are best exposed through the surrounding dune fields.

Under the terms of the Joint Venture, Troy Resources are to spend a minimum of \$100,000 on exploration and are to meet the first \$1 million of expenditure.

CENTRAL AUSTRALIAN PROJECTS

MORDOR PLATINUM-PALLADIUM-GOLD PROJECT (Tanami Gold 100%)

In November 2002 the Company completed the drilling of four holes undercutting surface geochemical and rockchip anomalies. The best intersection was 2 metres @ 1.1 g/t Pt-Pd-Au with numerous other low grade intercepts being made.

The PGE mineralisation in all areas was associated with visible sulphides (to 1%) developed at the contact between layered pyroxenitic and peridotitic units. To further characterise this association and to gauge the prospectivity of the Mordor Alkaline Igneous Complex (MAIC) (see Figure 4) to host economic grades and widths of PGE mineralisation, the Company continued its collaborative study with the CSIRO. As part of this study, a total of 35 core samples were analysed petrographically and by electron microprobe.

The recommendations of the study are that the Company continue its geochemical prospecting (soil sampling and rockchip sampling) programs in order to outline prospective contact zones within the +2,000 metres of layered igneous stratigraphy of the MAIC concentrically zoned plug ie across 4-5 kilometres diameter of the MAIC. Follow-up detailed mapping of geochemical anomalies would then be undertaken in order to prioritise targets for drilling.

The Company is currently talking to a number of interested parties with a view to them funding both the geochemical sampling and follow-up drill programs under an option to enter into a joint venture.

HARTS RANGE PROJECT

The 2003 field season commenced in late March with mobilisation of field crews to the Harts Range Project. Field work has commenced on the poly-metallic Oonagalabi Project and the Riddock Amphibolite PGE Project (see Figure 4).

Oonagalabi Project, ELs 10078 and 22917: Oonagalabi is a copper-zinc deposit discovered in the 1930s. Previous reconnaissance by TGNL located extensions of the Oonagalabi mineralisation over approximately 0.5km strike within EL 22917. The two main areas of mineralisation, the Silverado and Silver City prospects, were rockchip sampled returning previously unrecognised gold potential within the stratabound copper-zinc-lead mineralised horizon, with assays up to 0.4g/t Au and 26g/t Ag.

Understanding of the metamorphosed and complexly deformed mineralisation at Oonagalabi and similar prospects in the district is poor. A NTGS/Geoscience Australia (GA) study is currently underway to try to understand this style of mineralisation and assess economic potential. Current models include Broken Hill-type (BHT), carbonate replacement (MVT), or volcanic hosted massive sulphide (VHMS).

Systematic rockchip traverses (87 composite samples) were completed across the Silverado and Silver City Cu-Zn-Pb-Au prospects, to determine the extent, distribution and tenor of mineralisation across the exposed stratigraphy.

Following initial field reconnaissance, existing Landsat imagery over the Oonagalabi region was queried to determine possible 'look-a-like' targets to known mineralisation. A focus was placed upon delineating structural repetitions or dismembered portions of the mineralised stratigraphy adjacent to the areas of known mineralisation.

A large number of possible look-a-like 'stratigraphic' targets and structural-type plays within the Oonagalabi 'dome' and the country west of the Oonagalabi Deposit were generated from the Landsat images. The majority of these targets were tested by geological traverses and prospecting, in part helicopter-supported, during which a number of rock chips (65 grab samples) and soil samples (48) were taken. Sixty-six catchment specific stream-sediment samples were taken to test the wider area. Assays are pending.

Riddock Amphibolite Project, EL 22917: A study completed by GA early in 2002 indicated the potential of the Riddock Amphibolite Member within the Harts Range area to host PGE mineralisation associated with metamorphosed magmatic sulphides. Sections of the amphibolite were believed to possibly represent a large metamorphosed sill-like ultramafic intrusive.

A program of stream sediment sampling conducted in 2002 to test drainage from a section of approximately 40 kilometres of strike of the amphibolite returned several anomalous results. Encouraging results were also returned from a large ultramafic plug which returned elevated PGE and nickel.

Fieldwork has comprised further systematic stream sediment geochemistry and rockchip sampling aimed at validating and elucidating the source of anomalous PGEs identified to date and petrographic investigation into the protolith of amphibolite units. A total of 61 stream sediment samples were taken to further test known PGE stream sediment anomalies and increase coverage of the Hart's Range drainage. In addition 50 rock chip samples were taken to test prospective lithologies and quartz veining.

Two alternative sources of anomalous PGE are known within the district:

1. Young, essentially undeformed, mafic-ultramafic plugs which returned elevated PGE, Ni and Cu from rockchip grab samples taken in 2002 (2735ppm Ni, 108ppm Cu and 33ppb PGE).
2. Shear-controlled vein-hosted PGE mineralisation associated with Cu, Au, Ag as previously drill-tested by TGNL at the Mt Riddoch Prospect in 2001.

Two mafic-ultramafic plugs sampled previously by TGNL proved to have anomalous PGEs and these were further tested by detailed soil sampling (54 samples) and rock chip sampling (45 samples). North-south oriented composite soil samples were taken across the plugs to test for possible PGE-Cu-Ni anomalism. Parallel traverses of rockchip samples will be analysed to test for elevated metal contents and to detect any internal differentiation within the plugs. Results are awaited.

Follow-up exploration was conducted over two previously detected strong Au-Cu anomalies hosted in amphibolite east of TGNL's MR1 prospect. Previous reconnaissance sampling returned assays up to 1.2g/t Au. Systematic exploration during the quarter comprised detailed composite rockchip sampling traverses to further test the tenor of mineralisation, and mapping and soil geochemistry to test for along-strike extensions to mineralisation. Assays are pending.

HARRY CREEK PROJECT (Tanami Gold 100%)

Following the withdrawal of BHP-Billiton (BHPB) and Teck Cominco Australia Pty Ltd (TCA) from the joint venture over selected exploration licences in the Alice Springs district (for Pb-Zn Broken Hill style mineralisation), TGNL acquired two exploration licences from TCA.

TGNL has entered into an assignment agreement with TCA whereby TCA has transferred its 100% interest in Exploration Licences 22759 and 22761 (Tenements) to TGNL for the sum of \$1.00 with TCA holding separate buy back rights on gold and base metals deposits discovered within the Tenement(s) as follows:

Buy back rights on a gold deposit:

TCA has the right for a 90 day period from the delivery of a pre-feasibility study to purchase a 70% interest in the Tenement(s) containing any gold deposit discovered by TGNL containing more than 1,000,000 ounces of gold as outlined by the pre-feasibility report for the greater of:

- (a) \$20 per resource ounce of gold for 70% of the gold deposit ounces; or
- (b) 200% of TGNL's aggregate expenditures on the gold deposit.

If TCA purchases a 70% interest in the Tenement(s) TCA shall free carry TGNL through to completion of a bankable feasibility study and a decision to mine, but subject to TCA's right to withdraw at any time by transferring its 70% interest in the Tenements(s) back to TGNL for the sum of \$1.00.

Buy back rights for a base metals project:

- (a) If TGNL seeks a joint venture partner on a base metals project it shall grant TCA a first right to acquire a 49% interest in the Tenement(s) by reimbursing TGNL three times the amount of expenditure incurred by TGNL on the Tenement(s) up to the date the offer is made. TCA may exercise its first right to acquire the 49% interest by giving written notice to that effect to TGNL at any time within the period of 90 days commencing on the date upon which TGNL advises TCA that the first right has arisen.
- (b) If TCA purchases a 49% interest as per (a) above, TCA shall free carry TGNL through to completion of a bankable feasibility study and a decision to mine to increase its interest in the Tenement(s) to 70%, but subject to TCA's right to withdraw at any time by transferring its 70% interest in the Tenements(s) back to TGNL for the sum of \$1.00.

- (c) Notwithstanding (a) and (b) above, if the in-situ value of base metals within the Tenement(s) exceeds A\$1 billion, TCA shall have the right for a 90 day period from the delivery of a pre-feasibility study to purchase a 70% interest in the Tenement(s) by reimbursing TGNL three times the expenditure it has incurred on the Tenement(s) and free carrying TGNL through to completion of a bankable feasibility study and decision to mine, but subject to TCA's right to withdraw at any time by transferring its 70% interest in the Tenements(s) back to TGNL for the sum of \$1.00.
- (d) If TCA exercises its buy back rights for base metals, TGNL shall have the right to explore the tenements for mineral deposits other than base metals provided such programs do not interfere with TCA's programs.

Exploration by BHPB/TCA in September 2002 outlined a series of semi-continuous zinc-copper (Zn-Cu) anomalies associated with the Rankins-Gecko trend over 8 kilometres strike within ELs 9529 and 22759. The anomaly model did not fit the BHPB/TCA minimum size criteria, however consultants to the joint venture, Geodiscovery Group Pty Ltd, recommended a follow-up ground EM survey be carried out over the anomalous trend.

Subject to a full review of the data collected and a field inspection, the Company will undertake the EM survey as recommended by Geodiscovery. The prospect is located 30 kilometres east of the Alice Springs - Darwin railway line / Stuart Highway and a potential target is a +30 million tonne Zn-Cu-Au-Ag deposit.

If EM conductors are confirmed, the Company would consider drilling the prospect area, however in general it is the Company's policy to seek joint venture partners to drill out and develop any base metal deposits that may be discovered within the Company's project areas.

HALE RIVER PROJECT (Tanami Gold 100%)

The Company acquired EL 22625 from Tennant Creek Gold Pty Ltd in 2002. The tenement abuts EL 9528 on which the Company had identified a gold target associated with a major regional structure, the Woolanga Lineament. The gold target straddles the boundary between the two tenements. Extensive prospector shows are developed along the Woolanga Lineament to the north of the tenements. The most significant of these shows is the Johnnies Reward (gold-copper skarn which returned 51 metres @ 1.83 g/t Au including 5 metres @ 4.8 g/t Au and 9 metres @ 5.6 g/t Au (averaging 0.2% Cu).

Reprocessing of aeromagnetic data will be undertaken to better define the target structures. RAB drilling of the covered target area is scheduled for June-July 2003 (see Figure 4).

MUELLER CREEK PROJECT (Tanami Gold 100%)

The Company has identified a number of iron oxide copper-gold (IOCG) targets associated with gravity gradient/aeromagnetic anomalies in the Proterozoic Arunta Province north of Alice Springs, the majority of which are on current exploration licence applications.

The Mueller Creek tenement, EL 9803, was granted earlier this year. The IOCG target is a sub-circular (8 kilometres diameter) feature with a strongly developed outer magnetic rim. The magnetic feature sits on the northwest margin of a regional gravity gradient dome (26 kilometres diameter). The area also contains a number of discrete, highly magnetic anomalies marginal to the main target (see Figure 4).

The target is covered by younger Cambrian sediments and by sheetwash/alluvium. Previous basemetal exploration in the 1980s generated a strong Cu-Zn-Pb response from streams draining the Cambrian rocks. Shallow RAB drilling (nine holes) bottomed in transported cover or the Cambrian sandstones. Only two of the nine holes drilled fall within EL 9803.

Reconnaissance sampling is scheduled for the May 2003 field roster and RAB/aircore drilling for June-July 2003.



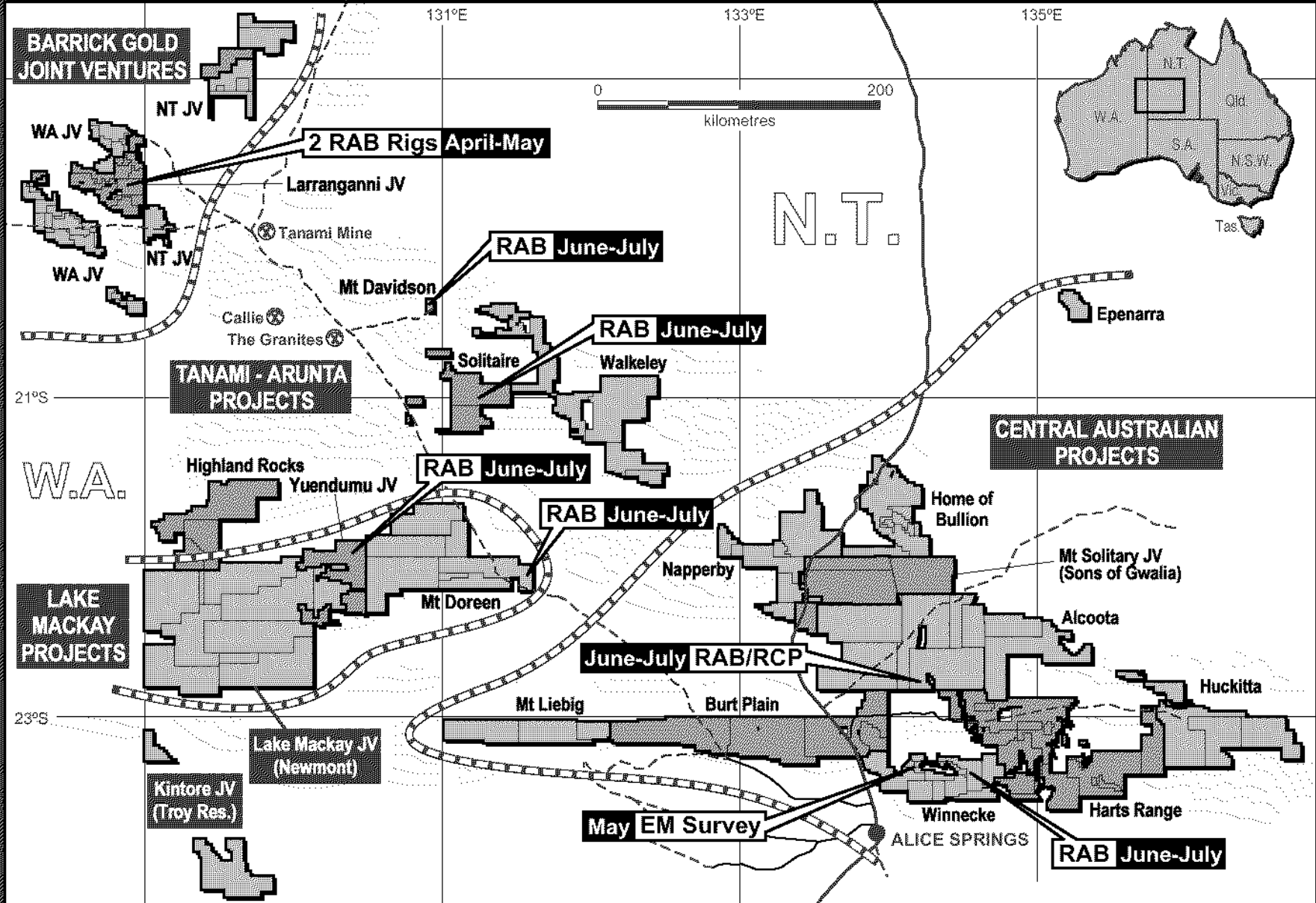
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D P Waddell
Managing Director

Dated: 29 April 2003

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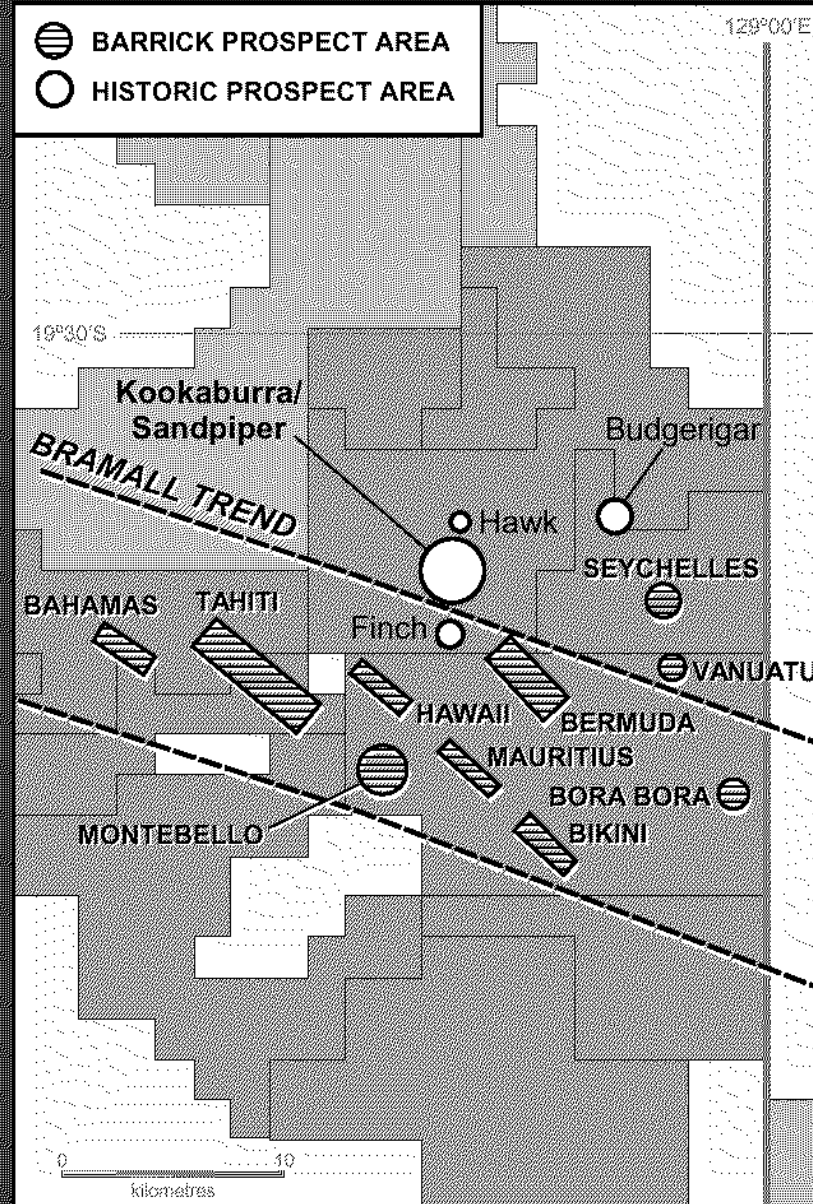
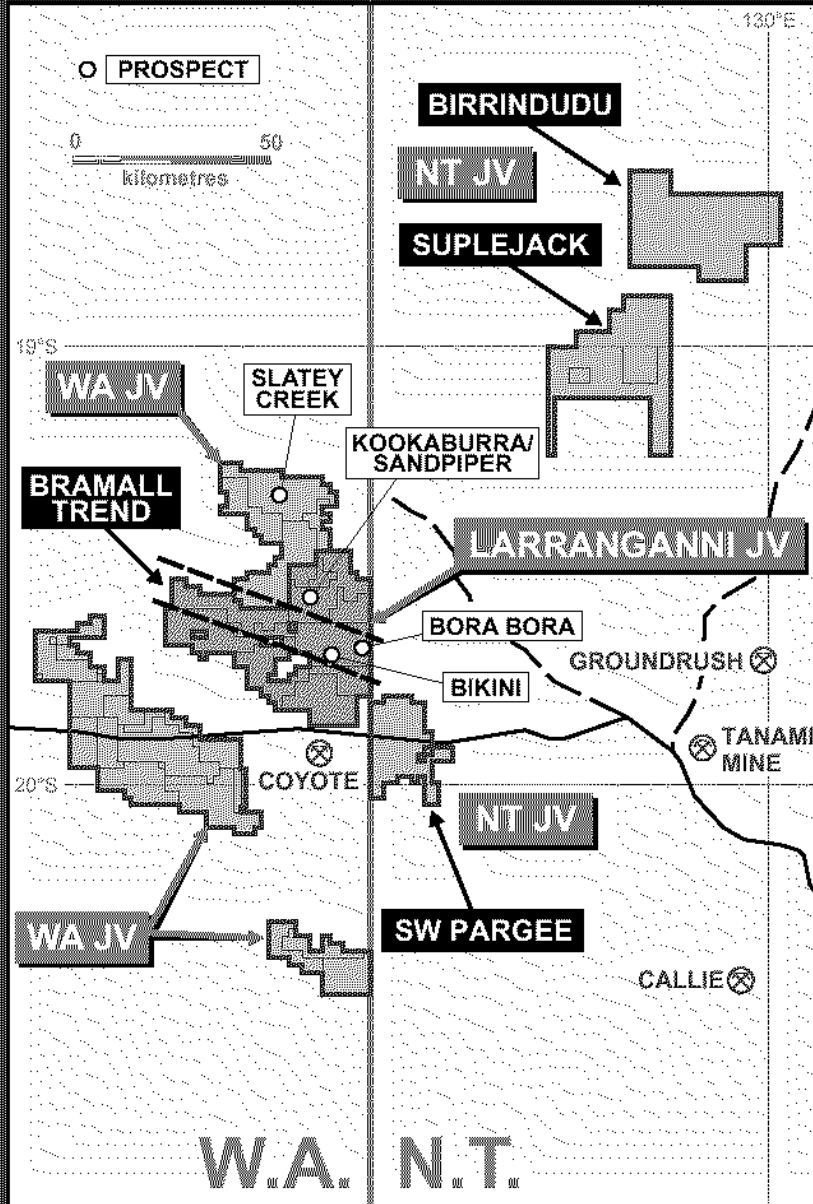
Note:

This information, so far as it pertains to Ore Reserves or Identified Mineral Resources is based on and accurately reflects, information compiled by members of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, each of whom has had at least five years relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves.



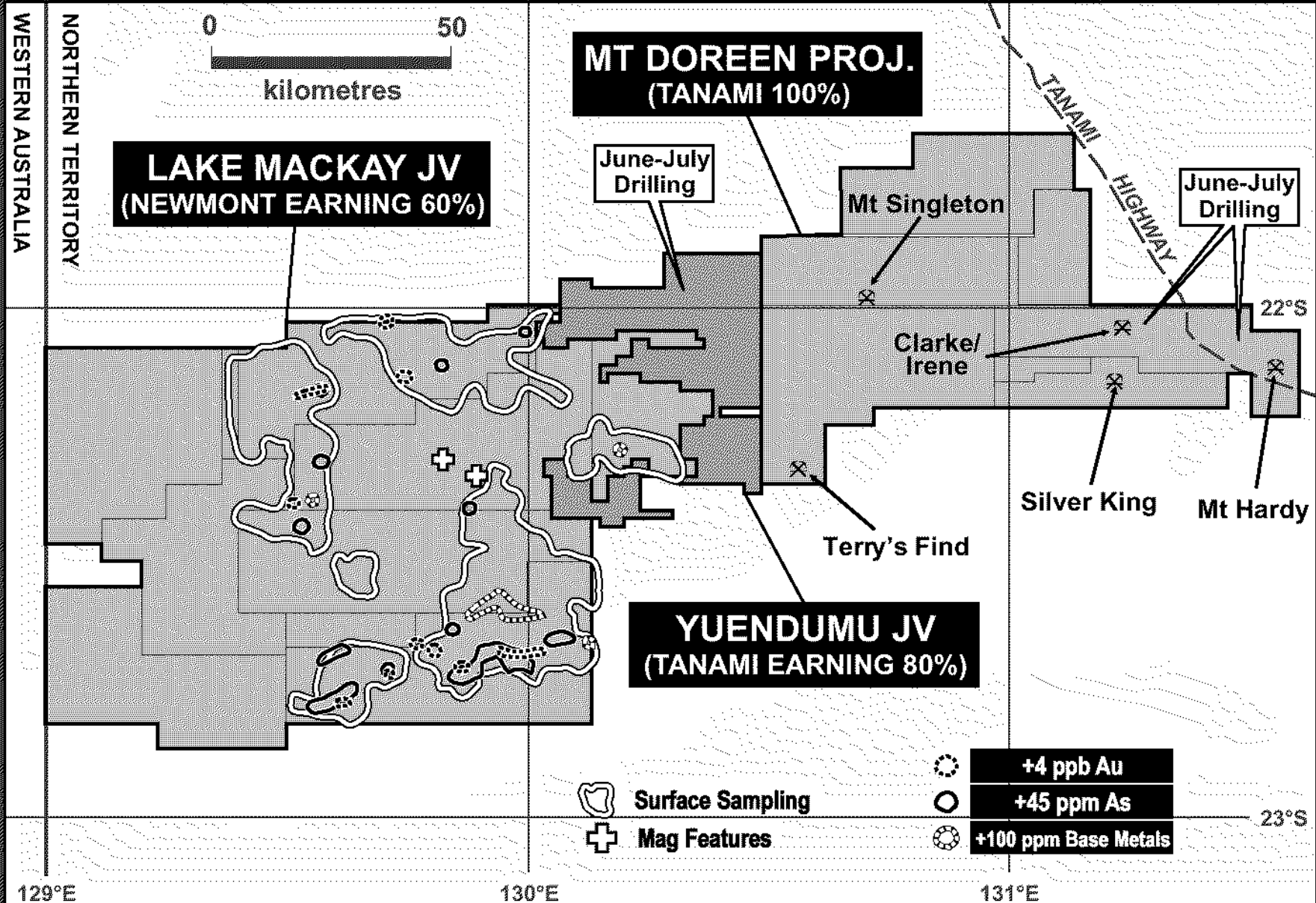
PROJECT LOCALITY

FIGURE 1



BARRICK JVs

FIGURE 2



LAKE MACKAY PROJECTS

FIGURE 3

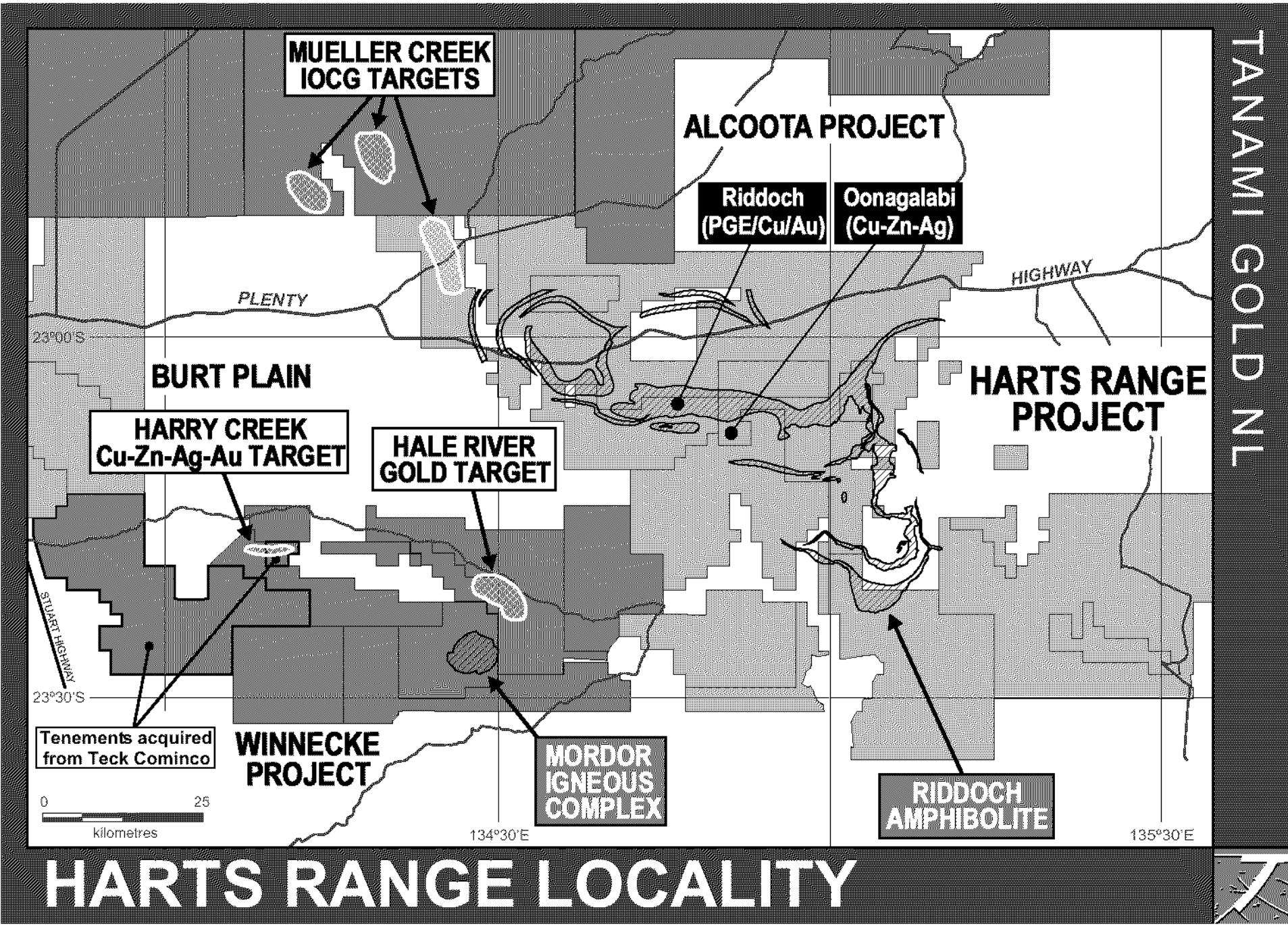


FIGURE 4

HARTS RANGE LOCALITY