TANAMI
GOLD NL

4 July 2005

The Manager
Company Announcements Office
Australian Stock Exchange Limited
PO Box H224 Australia Square
SYDNEY NSW 2000

Dear Sir

TANAMI GOLD SELLS DOWN JABIRU STAKE

The Directors of Tanami Gold NL (Tanami Gold) advise that the Company has reduced its shareholding in Jabiru Metals Limited (Jabiru) with the sale of 5 million shares at 25 cents each ($1.25 million) to Consolidated Minerals Limited.

Following the sale of the 5 million Jabiru shares, Tanami Gold continues to hold 24.68 million Jabiru shares or 14.26% of Jabiru.

Although the Tanami Gold Board considers Jabiru and its Jaguar Project to be high quality assets with significant upside potential, the Company's priority is to advance the development of the Coyote Gold Project and focus on exploration of its Tanami projects. As such, the Company plans to use the funds from the sale of its Jabiru shareholding primarily to advance the Coyote Gold Project.

Tanami Gold currently has two diamond rigs drilling at Coyote aimed at converting more of the high grade underground resources to reserves and to further increase the underground resource base through drill testing down plunge extensions and testing for new lodes. In addition, a RAB/Aircore rig is drill testing numerous targets along and across strike from Coyote and west of the Kookaburra and Sandpiper resources.

Given the Company's focus on its 100% owned projects and the sell down of the Company's investment in Jabiru, Denis Waddell has become a Non-Executive Chairman of Jabiru in order to focus on the development of Tanami Gold's Coyote Gold Project and 100% owned exploration projects.

With Jabiru's priority of developing the Jaguar Copper-Zinc Project, Gary Comb has become full-time Managing Director of Jabiru and a Non-Executive Director of Tanami Gold.

Yours faithfully
Tanami Gold NL

Denis Waddell
Executive Chairman

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