



GOVERNOR-GENERAL TO OFFICIALLY OPEN TANAMI'S COYOTE GOLD MINE LOCATED ON TJURABALAN LANDS

Tanami Gold NL (ASX: TAM – “Tanami”) will officially launch Australia’s newest gold mine, its 100%-owned **Coyote Gold Mine** in the Tanami-Arunta Province of Central Australia, at an opening ceremony to be conducted on site on **Wednesday, 24 May 2006** by the Governor-General of Australia, His Excellency Major General Michael Jeffery.

The ceremony will also be attended by the Chairman of the Tjurabalan Native Title Land Aboriginal Corporation, Mr Tomato Gordon, the Executive Director of the Kimberley Land Council, Mr Wayne Bergmann, Parliamentary Secretary to the Minister for Resources, Mr Tony McRae MLA, the Hon Tom Stephens MLA, Member for Central Kimberley-Pilbara, the Administrator of the Northern Territory, His Honour Mr Ted Egan, representatives of the Tjurabalan People, Tanami Gold employees and guests. Over 300 people including employees, guests and a strong representation by the Tjurabalan People are expected on site.

The official opening of the Coyote Mine represents a major milestone for Tanami Gold and the Tjurabalan People, whose partnership – forged over the past decade – has been instrumental in underpinning the development of the new mine and will continue to deliver new opportunities for this part of central Australia over the coming years.

Tanami Gold signed a landmark Mining agreement with the Tjurabalan people, with the support of the Kimberley Land Council, in April 2005 covering mining and exploration in the almost 26,000 square kilometres of Tjurabalan lands lying to the south and east of Halls Creek in WA’s Kimberley region.

This historic agreement, which the KLC describes as one of the best in Australia, is based on a long-term commitment to the region by both parties and includes a strong commitment to employment, training and business development opportunities for the Tjurabalan People. The agreement followed years of negotiations between Tanami and the Tjurabalan People during which a strong bond of trust and understanding was forged which demonstrates that workable and mutually beneficial agreements can be entered into with indigenous communities.

The Coyote Gold Mine will provide long-term employment for in excess of 100 people, approximately 40 percent of which are employed by CDE Capital, which holds the contract for mining and civil works. Approximately 50% of CDE Capital’s workforce is Aboriginal.

For Tanami, the official opening signals the most important turning point in its 12-year journey as a junior exploration company, marking its transition to producer status. Since its establishment in 1994, Tanami has assembled one of the largest exploration portfolios in Central Australia, invested in excess of \$75 million in exploration and development in the region and has secured the support and participation of the region’s indigenous communities.

Tanami Gold’s Executive Chairman, Mr Denis Waddell, said the opening of the Coyote mine represents the culmination of 12 years of challenging work as a junior exploration company working in a remote and isolated region with poorly developed infrastructure and difficult access.

“This is a major achievement and very positive step forward for central Australia, and also represents one of the few new gold mine developments in Australia in the past decade,” Mr Waddell said. “We are honoured that the Governor-General, His Excellency Major General Michael Jeffery, has agreed to join us to officiate on this special occasion, to mark the official launch of Australia’s newest gold mine.”

“We are also very pleased that the event will be attended by a large number of the Tjurabalan People – including their Chairman, Mr Tomato Gordon – to celebrate the community partnership that we expect will continue to deliver tangible benefits to this region for many years to come,” he added. “The start of mining at Coyote and the first gold pour will elevate Tanami into the ranks of Australian gold producers, crystallising the Company’s vision and representing a major triumph for all involved with the Company and the Project.”

Open pit mining commenced at Coyote earlier this month, with construction of the on-site gold processing facility, accommodation village and associated infrastructure now well advanced and scheduled for completion in early June 2006. Plant commissioning is expected to commence in mid-June, leading to a first gold pour towards the end of the month.

Stage 1 production will ramp up to 60,000 ounces per annum, with ore sourced from an open pit during the first 10 months of mining and subsequently transitioning to an underground operation. Tanami plans to expand the operation significantly during Stage 2, increasing production levels to over 100,000 ounces per annum.

Importantly, cash flow from the operations will fund intensive ongoing exploration programs to be undertaken on the Company’s large and highly prospective ground holdings aimed at discovering the next major deposit in the Tanami-Arunta Province.

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