Tennant Creek
GOLD LIMITED

LISTING ON GERMANY'S FRANKFURT EXCHANGE AND SHAREHOLDER APPROVAL FOR A$1.35M PLACEMENT, THOR MINING PLC SPIN-OFF

20 May 2005

HIGHLIGHTS

- **Shareholder approval received for all resolutions at GM including A$1.35M placement to UK institution and the spin-off of Thor Mining PLC.**
- **Compliance listing underway on Frankfurt Stock Exchange (FSE) in Germany to accommodate European investor demand for TNG shares.**
- **£425,000 (A$1,000,000) seed capital raising close to completion for Thor Mining PLC, which is acquiring TNG's specialty metals projects ahead of a £2 million (A$4.8M) IPO and AIM listing to be completed by mid-year.**
- **Preparations well advanced for major drilling programs commencing in the September 2005 quarter at Manbarrum (Sandy Creek) Base Metal Project and Tennant Creek Gold-Copper-Bismuth Project, Northern Territory.**

Tennant Creek Gold Limited (ASX: TNG) ("TNG") announces it has underway a compliance listing on the Frankfurt Stock Exchange (FSE) in Germany to accommodate strong European investor interest in its shares after earlier receiving shareholder approval for a recently announced institutional placement and asset rationalisation program.

At a shareholder meeting in Perth today, TNG shareholders approved a series of resolutions relating to several transactions including:

- a A$1.35M placement to London-based investment management company, RAB Special Situations LP (RAB), resulting in the introduction of a substantial strategic institutional investor holding 16.3% of TNG's fully diluted capital to support the Company's long-term strategic direction and exploration programs in northern Australia;
- the proposed spin-off of TNG's Australian specialty metals projects, including the Molyhil molybdenum-tungsten project in the Northern Territory, through the divestment of these projects to a proposed new AIM-listed company, Thor Mining PLC, which is undertaking a capital raising of up to A$4.7M and listing on the Alternative Investment Market (AIM) of the London Stock Exchange; and
- the establishment of a new share placement facility to refresh TNG's capital raising ability following the RAB placement.

Thor Mining is currently completing a £425,000 (A$1,000,000) seed capital raising and is well advanced with plans for an Initial Public Offering (IPO) to raise up to £2 million (A$4.8 million) and proposed AIM listing, which is scheduled to be completed before 30 June 2005.

On completion of this transaction, TNG will receive £250,000 (A$600,000) plus 45 million shares in Thor in consideration for the sale of the Molyhil, Hatches and Thring Creek projects. In addition, TNG's Chairman, Mr John W Barr will join Thor's Board as Executive Chairman.

TNG's Directors believe that the proposed spin-off of these projects to a focused AIM-listed company with an appropriate risk profile will maximise their exposure to relevant capital markets with an understanding of the specialty metals sector.

The funds raised by Thor will be applied to a trial mining program to be undertaken at the Molyhil deposit as a prelude to completion of a feasibility study. The deposit was mined in the 1970s and 1980s, and represents an advanced project with a solid resource base.

FSE Listing

TNG is undertaking a compliance listing of its securities on the Frankfurt Stock Exchange (FSE) in Germany to facilitate investment by European investors and broaden the Company's international shareholder base, giving institutions and investors the opportunity to trade its shares in Euros.

In addition, the Company has appointed European-based agents to provide investor relations support in the European market and broaden its shareholder base in the region.

NT Drilling Programs & Company Outlook

TNG plans to commence drilling programs at both its core projects, the Manbarrum (Sandy Creek) Base Metal Project and Tennant Creek Gold-Copper-Bismuth Project in the Northern Territory.

The Manbarrum Project is located 70km north-east of Kununurra. The Company will be targeting Mississippi Valley-style large-tonnage, high-grade zinc-lead-silver deposits, with an immediate focus on updating pre-JORC resources to current JORC compliance.

At Tennant Creek, work will focus on drilling a number of first-order magnetic anomalies with similar magnetic trend and magnitude to the world-class deposits of the Tennant Creek Inlier (eg, Warrego, White Devil and Nobles Nob).

These exploration programs will be TNG's main focus following completion of the asset rationalisation programs outlined above, including a separately announced option agreement with AIM-listed Regency Mines Plc for the sale of four non-core iron ore exploration projects in the Northern Territory.

The iron ore projects are to be acquired by Regency's subsidiary, Red Rock Resources, which is proposing to complete an AIM listing and capital raising by mid-year. The exercise price is a payment of A$200,000 in cash and the issue of shares equivalent to 20% of Red Rock's pre-listing capital.

At completion of all these transactions, TNG's asset base will comprise:

- approximately A$2.5M in cash and no debt;
- the Manbarrum and Tennant Creek Projects in the Northern Territory, with exploration and development programs underway at both projects;

- a 24% shareholding in AIM-listed specialty metals group Thor Mining PLC, a stake in the soon-to-be AIM-listed iron ore explorer Red Rock Resources Plc, and a shareholding of 17% in ASX-listed copper-gold explorer Batavia Mining (currently undergoing a recapitalisation);

- a portfolio of other gold, nickel and base metal projects in the Northern Territory including the 274,000oz Spring Hill Gold Project; and

- a long-term royalty interest in the Cawse Extended Nickel Project near Kalgoorlie in WA, currently delivering approximately A$300,000 income a year.

Yours faithfully
TENNANT CREEK GOLD LIMITED

NEIL BIDDLE
Managing Director

So far as it relates to ore and mineralisation this report is based on information compiled by Mr Neil G Biddle who is a Director of Tennant Creek Gold Limited and a corporate member of the Australasian Institute of Mining and Metallurgy and who has had more than five years experience in the field of activity being reported on. This report accurately reflects the information compiled by this member.