



Tennant Creek Gold LIMITED

ABN 12 000 817 023

◆ Highlights ◆

- **Tennant Creek Gold Limited (ASX: TNG) ("Company") announces that it has received an amended Clearance Certificate for the Manbarrum Project.**
- **The Certificate which was amended after a request from TNG, allows drilling to proceed on all prospects of interest.**
- **Drilling is scheduled to commence during the first week of September 2006 and will initially focus on the Sandy Creek area.**
- **Previous drilling at Sandy Creek by Aquitaine and BHP, intersected broad zones of high grade Mississippi Valley Type (MVT) Lead-Zinc-Silver mineralisation. Resource estimates based on that drilling predate the JORC Code.**
- **Detailed reviews of historical drilling were undertaken by Delta Gold (1996) and by TNG during the current exploration program. Sandy Creek is considered to have excellent potential for hosting substantial tonnages of high grade Lead-Zinc-Silver mineralisation.**

A table of previous significant drill intersections is included.



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ASX: TCG

Manbarrum Lead-Zinc-Silver Project

Manbarrum is located 70 kilometres north-east of Kununurra in the Northern Territory. The granted tenements consist of an Exploration Licence and an Authority to Prospect under Section 178 covering a combined area of over 200 square kilometres. An additional Exploration Licence ELA 25470 has been applied for and completes coverage of the Bonaparte Shelf Margin where numerous gravity anomalies have identified stratigraphic and structural targets within the prospective Burt Range Formation.

Exploration

Field work commenced in early June in preparation for a drilling program.

An Aircore/RC reconnaissance rig and a larger RC drill rig are committed to the project until the end of this year and approximately 10,000 meters of drilling is planned.

Drill Hole Data								
Hole ID	Coordinates	Depth (m)	Interval 1 (m)	Interval 2 (m)	Interval 3 (m)	Interval 4 (m)	Interval 5 (m)	Interval 6 (m)
NBK 1001	520732E 8297090N	61.5	25.3	34.4	9.1	15.01	0.55	42
			45.4	51.65	6.15	6.95	1.56	19.6
NBK 1003	520732E 8297145N	80.5	18.9	28.4	9.59	17.34	2.11	60.1
			45.5	57.5	12.0	6.4	0.75	13.1
NBK 1004	520775E 8297090N	100	76	91	15.0	9.53	2.72	36.4
NBK 1006*	520795E 8297180N	104.6	97	104.6	7.6	13.8	3.41	41.32
NBK 1025	520700E 8297400N	196	132	137	5.0	5.96	7.54	14
NBK 4001	520730E 8297090N	63	22	40	20.0	13.85	1.29	51.2
NBK 1037/4004	520580E 8297090N	106	58	70	12.0	3.72	4.52	7
NBK 4008*	520732E 8297135N	94	26	38	12.0	14.88	1.14	26.8
			48	60	12.0	18.02	2.69	24.2
			80	94	12.0	19.52	2.44	25.4

* Holes ended in mineralisation

Geology and Mineralisation

The Manbarrum Project is located on the eastern margin of the Bonaparte Gulf Basin where Devonian-Carboniferous marine sediments unconformably overlie faulted Proterozoic basement. Three Palaeozoic units are recognised in the area: Devonian Cockatoo Group, Lower Carboniferous Burt Range Formation and Milligans formation.

Milligans Formation black shales and siltstones locally cap the dolomitised Burt Range Formation carbonates and in conjunction with north-south trending syn-depositional growth faults provide a prospective setting for Mississippi Valley Type (MVT) base metal sulphide deposits.

Burt Range Formation dolomites reflect a regressive sedimentary cycle that became progressively more arenaceous. Two Members are recognised locally: Clb2 the younger dolomite and arenaceous dolomite and; Clb1 the older silty dolomite.



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The younger Clb2 Member is the better host to mineralisation as it is more subject to brittle failure and associated vuggy porosity, and is closer to the impervious Milligans Formation caprock.

Background

The Manbarrum Project area was previously explored by major mining companies Aquitaine (1972-82), BHP Billiton-St Joe then BHP-Triako (1982-93) and BHP-Triako-Delta Gold (1994-98).

Aquitaine carried out a substantial exploration program during the 1970s after the early discovery of significant Pb-Zn-Ag mineralisation at Sandy Creek. Because of the comparative ease of locating mineralisation at Sandy Creek, there was a lack of systematic grass-roots geochemical and geophysical exploration elsewhere particularly in the extensive areas of sandy soil cover surrounding the very limited outcrop.

While a considerable amount of reconnaissance drilling was completed much of it was planned with inadequate geological control and a high percentage of the holes were drilled in un-prospective footwall rocks or were not deep enough to reach the prospective mineralised target zone.

There has been no major exploration conducted since Aquitaine, however valuable additions to the regional grass-roots data were made by BHP-St Joe 1982-84 and Delta Gold, 1994-98.

Land Access

The Project lies within the Legune Station Pastoral Lease and within a regional Registered Native Title Claim by the Miriwung and Gajerrong peoples.

Land Access in the Northern Territory is constrained by the requirements of the Aboriginal Heritage Act whereby a current Clearance Certificate must be obtained prior to commencement of exploration. A Clearance Certificate was issued to TNG by the Aboriginal Areas Protection Authority (AAPA) in 2006. The 2006 Certificate conditions allowed access to the entire project area for the initial exploration program but constrained future drilling activities in broad areas around the hills.

Field work since early June has confirmed all exploration targets lie beneath the pervasive sandy soil cover and are well clear of the hills which occupy only a limited area. Consultation with the Traditional Owners confirmed the soil covered areas of the Project have no special cultural or heritage significance.

The Traditional Owners of Manbarrum unanimously supported exploration proposals by TNG and jointly with TNG have requested AAPA to amend the conditions of the 2006 Clearance Certificate to provide a less restrictive protective zone around the hills.

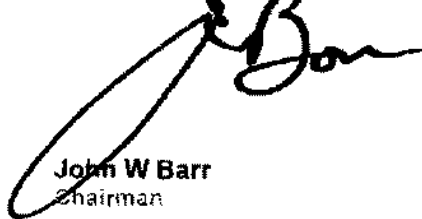
This process is now finalised with the issue of the Amended Clearance Certificate for the Manbarrum Project. The Amended Certificate allows drilling to proceed on all prospects of interest.



Tennant Creek Gold Limited

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Yours faithfully
TENNANT CREEK GOLD LTD



John W Barr
Chairman

31 August 2006

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Neil Biddle, who is a Member of The Australasian Institute of Mining and Metallurgy. Neil Biddle is a Director of Tennant Creek Gold Limited. Neil Biddle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Neil Biddle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.