



Tennant Creek Gold LIMITED

NOTICE OF MEETING

13 April 2007

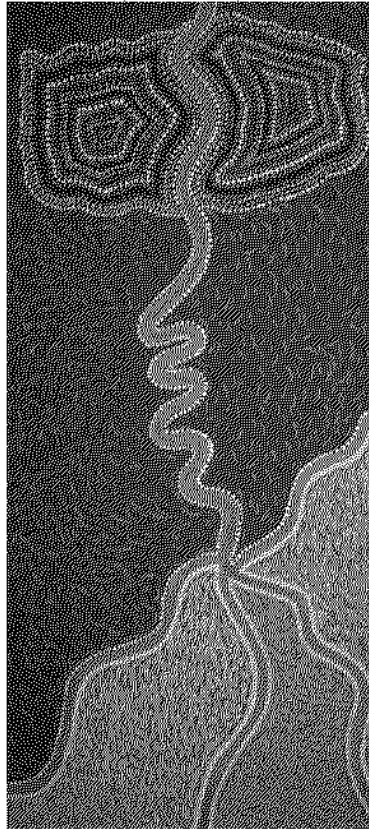
The Directors of Tennant Creek Gold Limited advise that there is to be a General Meeting of Shareholders to be held at 10.00am (WST) on 17 May 2007 at the Celtic Club, 48 Ord Street, West Perth, WA.

The purpose of this meeting and the actions to be taken by Shareholders are set out in the attached Notice of Meeting and Explanatory Memorandum.

Yours faithfully

TENNANT CREEK GOLD LIMITED

John W Barr
Chairman



TENNANT CREEK GOLD LIMITED

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NOTICE OF GENERAL MEETING

**A General Meeting of the Company will be held at Celtic Club,
48 Ord Street, West Perth, Western Australia
on Thursday 17 May 2007 at 10.00am.**

**Shareholders are urged to attend or vote by lodging the proxy form
attached to this Notice of General Meeting.**

TENNANT CREEK GOLD LIMITED

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Corporate Directory

Directors	John W. Barr (Chairman) Neil Biddle (Managing Director) Michael Bowen Edward Fry Terry Smith
Company Secretary	Damian Delaney
Registered Office	Level 1, 282 Rokeby Road SUBIACO WA 6008 Telephone: + 61 (08) 9327 0900 Facsimile: + 61 (08) 9327 0901 Email: corporate@tennantcreekgold.com.au Website: www.tennantcreekgold.com.au
Auditor	KPMG
Share Registry	Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St George's Terrace Perth, Western Australia 6000 Telephone: + 61 8 9323 2000 Facsimile: + 61 8 9323 2033
ASX Codes	TNG and TNGO
Shareholder Enquiries	Damian Delaney at the Registered Office

TENNANT CREEK GOLD LIMITED

A C N 0 0 0 8 1 7 0 2 3

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of Tennant Creek Gold Limited (**Company**) will be held at Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday 17 May 2007 at 10.00am (**General Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the General Meeting and forms part of this Notice of General Meeting.

Terms and abbreviations used in this Notice of General Meeting are defined in Schedule 1 of the Explanatory Memorandum.

A G E N D A

1. Resolution 1 – Ratify Prior Placement

To consider, and if thought fit, pass with or without amendment as an ordinary resolution the following:

*"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 6,000,000 Shares each at \$0.39 to clients of Southern Cross Equities Limited in accordance with the terms of the Explanatory Memorandum ("**Prior Placement**")."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and obtained a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associate of that person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Authorise Placement Facility

To consider, and if thought fit pass as an ordinary resolution, the following:

*"That, in accordance with ASX Listing Rules 7.1 and 10.11 and Chapter 2E of the Corporations Act and for all other purposes, the Shareholders approve and authorise the issue of up to 62,600,000 Shares ("**Placement Facility**") in accordance with the terms in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may receive a benefit under the Placement Facility and might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associates of such a person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Capital Distribution of Batavia Securities

To consider, and if it thought fit, pass as an ordinary resolution the following:

"Subject to the Directors resolving to reduce the share capital of the Company and determining and announcing a Record Date, that in accordance with sections 256B and 256C of the Corporations Act, Company's Constitution, Listing Rules and for all other purposes:

- (a) *the paid up share capital of the Company be reduced by the amount up to the value of the Batavia Shares which may be distributed in specie to Eligible Shareholders;*
- (b) *such capital reduction be effected and satisfied by the Company distributing in specie to Eligible Shareholders up to 16,293,232 Batavia Shares; and*
- (c) *such capital reduction be effected otherwise on the terms and conditions in the Explanatory Memorandum accompanying this Notice of General Meeting".*

4. Resolution 4 – Capital Distribution of Thor Securities

To consider, and if it thought fit, pass as an ordinary resolution the following:

"Subject to the Directors resolving to reduce the share capital of the Company and determining and announcing a Record Date, that in accordance with sections 256B and 256C of the Corporations Act, Company's Constitution, Listing Rules and for all other purposes:

- (a) *the paid up share capital of the Company be reduced by the amount up to the value of the Thor Shares and Thor Warrants which may be distributed in specie to Eligible Shareholders;*
- (b) *such capital reduction be effected and satisfied by the Company distributing in specie to Eligible Shareholders the following:*
 - (i) *up to 15,100,000 Thor Shares; and/or*
 - (ii) *up to 7,500,000 Thor Warrants; and*
- (c) *such capital reduction be effected otherwise on the terms and conditions in the Explanatory Memorandum accompanying this Notice of General Meeting".*

5. Resolution 5 – Change of Company Name

To consider, and if it thought fit, to pass as a special resolution the following:

"With effect from the Effective Date in accordance with section 157 of the Corporations Act, the name of the Company be changed to 'TNG Limited'."

6. Resolution 6 – Approval of issue of Incentive Options to Mr John W. Barr

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That, in accordance with ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, Shareholders approve the issue of 3,000,000 Incentive Options to Mr John W. Barr or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast on this Resolution by Mr John W. Barr or any of his associates. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
 - (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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7. Resolution 7 – Approval of issue of Incentive Options to Mr Neil Biddle

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That, in accordance with ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, Shareholders approve the issue of 3,000,000 Incentive Options to Mr Neil Biddle or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast on this Resolution by Mr Neil Biddle or any of his associates. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 8 – Approval of issue of Incentive Options to Mr Michael Bowen

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That, in accordance with ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, Shareholders approve the issue of 2,000,000 Incentive Options to Mr Michael Bowen or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast on this Resolution by Mr Michael Bowen or any of his associates. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 9 – Approval of issue of Incentive Options to Mr Terry Smith

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That, in accordance with ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, Shareholders approve the issue of 2,000,000 Incentive Options to Mr Terry Smith or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast on this Resolution by Mr Terry Smith or any of his associates. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. Resolution 10 – Section 195 Approval

To consider, and if thought fit, to pass with or without amendment as an ordinary resolution the following:

"That, for the purposes of section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Directors to complete the transactions as contemplated in this Notice of General Meeting."

BY ORDER OF THE BOARD

Damian Delaney
Company Secretary
Dated: 12 April 2007

TENNANT CREEK GOLD LIMITED

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EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday 17 May 2007 at 10.00am.

The purpose of this Explanatory Memorandum is to provide information that the Board of Directors believes is material to Shareholders in relation to the resolutions in the Notice of General Meeting. The Explanatory Memorandum explains the resolutions and identifies the Director's decisions for putting them to Shareholders.

Terms and abbreviations used in this Explanatory Memorandum are defined in Schedule 1.

1. Resolution 1 – Ratification of Prior Placement

1.1 General

Resolution 1 seeks Shareholder approval for the ratification of the Prior Placement.

1.2 Listing Rule 7.4

The Shares issued under the Prior Placement were issued within the 15% limit permitted under Listing Rule 7.1, without Shareholder approval. The effect of Shareholders passing Resolution 1 and ratifying the Prior Placement will be to restore the Company's ability to issue securities within that limit, to the extent of the 6,000,000 Shares.

1.3 Specific Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- (a) the Shares were issued to a client of Southern Cross Equities (who is not a related party of the Company);
- (b) 6,000,000 Shares have been issued each at \$0.39 to raise \$2,340,000 (prior to costs);
- (c) the Shares issued are fully paid ordinary shares in the capital of the Company;
- (d) a voting exclusion statement is included in the Notice of General Meeting; and
- (e) funds raised by the Prior Placement will be used to partially fund the next drilling program at the Manbarrum Project.

2. Resolution 2 – Authorise Placement Facility

2.1 General

To ensure that the Company raises a maximum of \$9,180,000 from the exercise of 62,600,000 Options, Southern Cross Equities (or its sub-underwriters/nominees) has agreed to underwrite the exercise of 62,600,000 Options by subscribing for Shares under the Placement Facility. Under the Placement Facility, the Company will issue to Southern Cross Equities and/or its sub-underwriters/nominees up to 62,600,000 Shares.

The Options, the exercise of which is being underwritten, comprised at the date of the Underwriting Agreement of the following:

Options Underwritten	Number	\$
Listed Options exercisable at \$0.15 expiring 31 May 2007	53,600,000	8,040,000
April 2007 Options exercisable at \$0.12 expiring 30 April 2007	7,000,000	840,000
May 2007 Options exercisable at \$0.15 expiring 31 May 2007	2,000,000	300,000
	62,600,000	9,180,000

The Company also has on issue November 2007 Options and December 2011 Options further particulars of which are in Section 3.1 of this Explanatory Memorandum. The exercise of these options is not underwritten.

The number of Listed Options underwritten is 53,600,000. Since the execution of the Underwriting Agreement a number of Listed Options have been exercised reducing the total number of unexercised Listed Options to 48,259,218.

The total number of Shares to be issued to Southern Cross Equities and/or its sub-underwriters/nominees will be equal to the number of Options that expire unexercised. The effect of the Placement Facility is to underwrite the amount that the Company would receive if all of the Options had been exercised.

The passing of Resolution 2 will allow the Directors to issue up to 62,600,000 Shares without using up the Company's 15% placement capacity under ASX Listing Rule 7.1.

2.2 Underwriting Agreement

The terms and conditions under which Southern Cross Equities will subscribe for Shares under the Placement Facility are in the Underwriting Agreement further particulars of which are in Schedule 3 of this Explanatory Memorandum.

The terms of the Underwriting Agreement provide:

- (a) Southern Cross Equities will underwrite the exercise of all Options by procuring subscriptions for that number of Shares up to a maximum of 62,600,000 as equals the number of Options that expire unexercised (i.e. the Placement Facility);

- (b) TNG will pay Southern Cross Equities a placement fee of 5% in respect of the Prior Placement and an underwriting fee of 1.5% in respect of the Placement Facility.

The Company has also agreed to reimburse Southern Cross Equities for all reasonable costs and expenses incurred in connection with the Underwriting Agreement.

Southern Cross Equities obligations under the Underwriting Agreement are subject to Shareholder approval (as sought in the Notice of General Meeting).

The Directors have agreed to assist with the sub-underwriting commitments of the Placement Facility and accordingly up to 35,800,000 Shares may be issued to the Directors (or their nominees). The Underwriting Agreement provides for the Directors to sub-underwrite 50% of the Placement Facility in relation to the Listed Options and 100% of the Placement Facility in relation to the April 2007 Options and the May 2007 Options.

The Directors have jointly and severally agreed to the sub-underwriting arrangements. The terms upon which the Directors have agreed to sub-underwrite are identical to the terms of all other sub-underwriters other than the Directors will not receive a sub-underwriting fee.

The Directors have agreed between themselves that any shortfall Shares will be subscribed for equally by each of them or their nominees and therefore the maximum number of Shares that can be issued to each Director or his nominee under the Placement Facility (assuming all of the Options are not exercised) is 7,160,000 Shares.

2.3 Reason for Resolution 2

Listing Rule 7.1 restricts the Company's ability to issue equity securities in certain circumstances, unless approval is obtained from the Shareholders. The effect of passing Resolution 2 will be to allow the Directors to issue up to 62,600,000 Shares, without using up the Company's 15% placement capacity under ASX Listing Rule 7.1.

The actual number of Shares to be issued under the Placement Facility will be determined by the number of Options exercised prior to expiry. The Placement Facility will only be used for Options not exercised prior to expiry.

2.4 Specific Information Required by ASX Listing Rules 7.3, 10.11 and section 219 of the Corporations Act

For the purposes of ASX Listing Rules 7.3, 10.11 and section 219 of the Corporations Act, information regarding the Placement Facility is provided as follows:

- (a) The maximum number of Shares the Company can issue under the Placement Facility is 62,600,000.
- (b) The Shares will be issued progressively no later than the following:
 - (i) three months after the date of the Meeting to non-related parties. and
 - (ii) one month after the date of the Meeting to Directors or their nomineesor such longer periods of time as ASX may in its discretion allow.
- (c) Up to 7,000,000 Shares may be issued by the Company at an issue price of \$0.12 (if all of the \$0.12 April 2007 Options are not exercised) and up to 55,600,000 Shares may be issued by the Company at an issue price of \$0.15 (if all of the \$0.15 Listed Options and May 2007 Options are not exercised).

- (d) The maximum number of Shares that may be issued under the Placement Facility (assuming all of the Options are not exercised) is as follows:
- (i) 26,800,000 Shares to Southern Cross Equities or its sub-underwriters/nominees other than Directors and their nominees; and
 - (ii) 35,800,000 Shares to the Directors or their nominees which will be subscribed for equally by each of them or their nominees such that 7,160,000 Shares is the maximum number of Shares that can be issued to each Director or his nominee.
- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company.
- (f) Each Director has an interest in Resolution 2 under which Shares will be issued and therefore believes it inappropriate to make a recommendation on the Placement Facility.
- (g) The current Share and Option holdings of the Directors are as follows:

Name of Director	Shares	Options
John W. Barr ¹	11,000,000	-
Neil Biddle ²	7,930,983	3,329,642
Michael Bowen ³	750,002	2,185,088
Terry Smith ⁴	1,622,710	3,560,087
Edward Fry	26,785	1,500,000

¹7,000,000 are held by Kensington Consulting Pty Ltd, 700,000 Shares are held by Farbarr Nominees Pty Ltd and 3,300,000 Shares are held by Kensington Capital Pty Ltd, which are related parties of Mr John W. Barr.

²200,000 of these Shares and 650,000 Listed Options are held by Mr Biddle as trustee for the Ace Account, 7,726,983 Shares and 2,679,642 Listed Options are held by Biddle Partners Pty Ltd, which are related parties of Mr Neil Biddle and 4,000 by Mr Neil Biddle personally.

³750,002 Shares and 2,185,088 Listed Options are held by Bouchi Pty Ltd which is a related party of Mr Michael Bowen.

⁴122,710 Shares and 2,550,000 Listed Options are held by Teas Nominees Pty Ltd, 800,000 Shares and 400,000 Listed Options are held by Bonsmith and 50,000 Listed Options are held by Wardross Nominees Pty Ltd, which are related parties of Mr Terry Smith and 700,000 are held by Mr Terry Smith personally.

- (h) It is not possible to calculate the dilutionary effect that the issue of Shares to Directors will have on all other Shareholders as the number of Shares that will actually be issued to the Directors will be determined by the number of Options that are exercised prior to expiry.
- (i) Up to \$9,180,000 will be raised by issuing the Shares.

- (j) Shareholders have previously approved an aggregate amount of up to \$200,000 to be paid as directors fees. The Directors have resolved that each Director shall receive the amount of \$40,000 per annum as directors fees.

In addition entities associated with the Directors provide geological and management consulting services and legal services to the Company on normal commercial terms and charged on a time basis. Amounts invoiced to the Company in the six months to 31 December 2006 are:

	\$
J W Barr related entities	55,000
N Biddle related entities	169,594
M Bowen related entities	47,969
T Smith related entities	Nil
E Fry related entities	18,371

- (k) Historical closing Share price information for the last three months is below:

	Price	Date
Highest ¹	0.51	18 January 2007
Lowest	0.365	7 March 2007
Last	0.42	30 March 2007

¹ Highest Share price also recorded on 16 January 2007.

Historical closing Listed Option price information for the last three months is below:

	Price	Date
Highest	0.35	10 January 2007
Lowest ²	0.245	13 February 2007
Last	0.28	30 March 2007

²Lowest Listed Option price also recorded on 14 February 2007.

- (l) In subscribing for Shares as sub-underwriters the Directors may be receiving a financial benefit from the Company. The financial benefit may be valued by calculating the discount to market price at which Shares are being issued to Directors as sub-underwriters. Assuming an issue price of the Shares of \$0.15 (the price which is equal to the strike price of the Listed Options) and taking the closing price on 30 March 2007 of \$0.42 then the gain per Share would be \$0.27. The aggregate financial benefit the Directors may receive would be determined by how many Options are exercised prior to expiry.
- (m) Other than the information above and as in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 2.
- (n) Funds raised will be used for continued exploration and development of the Company's exploration assets including further drilling at Manbarrum and economic studies of the Manbarrum Zinc-Lead-Silver Project.
- (o) A voting exclusion statement is included in the Notice of General Meeting.

3. Resolutions 3 and 4 – Capital Distribution of Batavia and Thor Securities

3.1 General

The Company is now focusing on the Manbarrum Zinc/Lead/Silver Project. The Company has made a decision to review and possibly divest all assets and

investments other than those assets and investments connected with the Manbarrum Zinc/Lead/Silver Project.

The Company is currently considering all possibilities in relation to the divestment of all assets of the Company other than the Manbarrum Zinc/Lead/Silver Project. The Company considers that the in specie distributions (i.e. capital reduction) of Batavia Shares and/or Thor Securities may be an effective way to provide value to Shareholders. It is the current intention of the Directors to distribute in specie Batavia Shares and/or Thor Securities. However, the Directors have not made a final decision in relation to the Capital Reductions. Shareholder approval is required for the Capital Reductions so the Directors are taking the opportunity to use this Meeting to obtain the requisite Shareholder approvals. This would mean the Directors could immediately act if a final decision is made to undertake the Capital Reductions.

Some of the Directors are also directors of Batavia and Thor as follows:

- (a) Mr John W Barr is a director of Thor.
- (b) Messrs Neil Biddle and Terry Smith are directors of Batavia.

If the Directors determine to distribute in specie Batavia Shares and/or Thor Securities (i.e. complete the Capital Reductions) they will announce the terms of the Capital Reductions, details of Distribution Securities and a Record Date for the Batavia Shares and/or Thor Securities (as appropriate). There may be different Record Dates for the Batavia Capital Reduction and Thor Capital Reduction.

Directors may determine to implement the Batavia Capital Reduction and not the Thor Capital Reduction and vice versa. Furthermore the Directors may determine as follows:

- (a) as part of the Batavia Capital Reduction to distribute in specie up to 16,293,232 Batavia Shares; and
- (b) as part of the Thor Capital Reduction to distribute in specie up to 15,100,000 Thor Shares, up to 7,500,000 Thor Warrants or any combination thereof.

Any in specie distribution of Batavia Shares, Thor Shares and/or Thor Warrants will be to Eligible Shareholders (being Shareholders registered at the Record Date) on a pro rata basis (subject to fractional entitlements being rounded down) by way of an equal capital reduction under section 256B of the Corporations Act.

Eligible Shareholders would not be required to pay any additional consideration for the Batavia Shares, Thor Shares and/or Thor Warrants as the Company would make an appropriate capital reduction to reflect the distribution. The terms of the Capital Reductions are the same for each holder of Shares. If Resolution 3 and 4 are approved and the Directors implement the Capital Reductions, each Eligible Shareholder will still own the same number of Shares and therefore the proportion of ownership interests of each Eligible Shareholder in the Company remains the same before and after completion of the Capital Reductions.

At the date of this Explanatory Memorandum the Company has on issue securities as follows:

	Cannot Participate in Capital Reductions	Can Participate in Capital Reductions
Shares – (ASX: TNG)		124,233,187
Listed Options ¹ - (ASX: TNGO)		48,259,218
April 2007 Options		7,000,000
May 2007 Options		2,000,000
November 2007 Options		2,100,000
December 2011 Options	4,600,000	500,000
Incentive Options – to be approved at this General Meeting	10,000,000	
Maximum number of Shares that can participate in Capital Reductions		184,092,405

¹The number of Listed Options underwritten is 53,600,000. Since the execution of the Underwriting Agreement a number of Listed Options have been exercised reducing the total number of unexercised Listed Options to 48,259,218.

The Incentive Options proposed to be issued to Directors in accordance with Resolutions 6 – 9 cannot be exercised to participate in the Capital Reductions.

If all of the Listed Options and Unlisted Options are exercised to participate in the Capital Reductions then 184,092,405 Shares will participate in the Capital Reductions and the entitlements to the securities being distributed in the Capital Reductions are as follows:

Security	Securities held by Company	Shares participating	Ratio
Batavia Shares	16,293,232	184,092,405	1 Batavia Share for every 12 Shares held
Thor Shares	15,100,000	184,092,405	1 Thor Share for every 13 Shares held
Thor Warrants	7,500,000	184,092,405	1 Thor Warrant for every 25 Shares held

These entitlements assume that all of the 16,293,232 Batavia Shares, 15,100,000 Thor Shares and 7,500,000 Thor Warrants are distributed in specie to Eligible Shareholders.

The Company will consider disposing of any Batavia Shares and Thor Securities that it is unable to distribute under the Capital Reductions.

The exact value of the Capital Reductions for each of the Batavia Shares, Thor Shares and/or Thor Warrants will not be known until their respective Record Date (if any), at which time the value of the Batavia Shares, Thor Shares and/or Thor Warrants would be determined. At the price of \$0.105 per Batavia Share, \$0.36 per Thor Share and \$0.26 per Thor Warrant, (being the prices on 2 April 2007), the Capital Reductions, if all of the Batavia Shares and Thor Securities are distributed in specie, would be an amount of approximately \$9,096,789.

Resolutions 3 and 4 are not dependent on each other. The Company may make the Capital Reduction under Resolution 3 or 4 or both of them.

The proposed timetable for the completion of the Capital Reductions is as follows:

Event	Date
Company announced Capital Reductions and General Meeting	15 March 2007
General Meeting to approve Capital Reductions	17 May 2007
Ex date for Capital Reductions	29 June 2007
Record Date for Capital Reductions	4 July 2007
Completion of Capital Reductions	6 July 2007

These are only anticipated dates for the Capital Reductions and may be changed by the Directors. The dates for each Capital Reduction may change such that the Batavia Capital Reduction and Thor Capital Reduction may have different timetables. One Capital Reduction may proceed without the other Capital Reduction. There can be no assurance that the Capital Reductions will be completed.

3.2 Legal Requirements

Section 256B (1) of the Corporations Act provides that a company may reduce its share capital if the reduction:

- (a) is fair and reasonable to the company's shareholders as a whole;
- (b) does not materially prejudice the company's ability to pay its creditors; and
- (c) is approved by shareholders under section 256C of the Corporations Act.

The proposed Capital Reductions are an equal reduction as they:

- (a) relate only to Shares;
- (b) apply to each holder of Shares in proportion to the number of Shares they hold; and
- (c) the terms of the Capital Reductions are the same for each holder of Shares.

The Directors are of the opinion that each of the proposed Capital Reductions by the distribution in specie of up to 16,293,232 Batavia Shares, 15,100,000 Thor Shares and/or 7,500,000 Thor Warrants on a pro-rata basis to the Eligible Shareholders:

- (a) does not materially prejudice the Company's ability to pay its creditors;
- (b) will not result in the Company being insolvent at the time of the Capital Reductions or become insolvent as a result of the Capital Reductions; and
- (c) is fair and reasonable to Shareholders as a whole because they are all treated in the same manner, as the distribution of Batavia Shares, Thor Shares and/or Thor Warrants is on a pro rata basis.

3.3 Tax implications for Shareholders

The information in this section should not be viewed as specific tax advice and is intended as a general guide only. Each Shareholder should obtain specific taxation advice on the treatment of the Capital Reductions, taking into account their particular circumstances.

The summary in this section contains a general description of the tax consequences that could arise for Eligible Shareholders as a consequence of the Capital Reductions. Shareholders who are not residents of Australia for tax purposes should also seek their own guidance in relation to the likely taxation consequences arising from the Capital Reductions under the laws of the country of their residence.

The general description in this section is only relevant in relation to the Australian taxation position of Eligible Shareholders who hold Shares on capital account and does not apply to Shareholders who hold Shares on revenue account or as trading stock.

An in specie distribution (i.e. capital reduction) or part of an in specie distribution can in certain circumstances be treated as a dividend for Australian tax purposes. The dividend component will be that amount of the in specie distribution by which the:

- (a) Company does not reduce share capital; or
- (b) Commissioner of Taxation ("**Commissioner**"), upon a review of the in specie distribution, determines includes profits of the Company.

The Company intends to reduce the share capital by an amount equal to the value of the Capital Reductions. A dividend will only arise if the Commissioner, upon a review of a Capital Reduction, determines that the Capital Reduction includes profits of the Company.

Absolute certainty regarding the Commissioners view in relation to a Capital Reduction can only be achieved by obtaining a binding ruling from the Australian Tax Office ("**ATO**"). In an endeavour to seek certainty the Company may seek to obtain a binding ruling prior to the Record Date for each of the Distribution Securities.

If certainty is not obtained prior to the Record Date, the Company will advise Shareholders as to those portions of a Capital Reduction which in its view is likely to be treated by the ATO as a dividend and as a return of capital.

Treatment of Dividend Component of In Specie Distribution

- (a) The Company will not have the ability to attach franking credits to that portion of a Capital Reduction that is a dividend.
- (b) Australian resident Eligible Shareholders will be taxed at marginal rates on the value of the dividend.
- (c) For Australian resident Eligible Shareholders who have not advised the Company of their tax file number (TFN) prior to the in specie distribution, the Company will have an obligation to remit withholding tax to the ATO based on the value of the dividend.
- (d) For non-resident Eligible Shareholders the non-resident withholding tax will apply to the value of the dividend. The rate of withholding in relation to the value of the dividends will depend on the non-resident Eligible Shareholders country of residence. The Company will have an obligation to remit withholding tax to the ATO based on the value of the dividend.

- (e) The Company reserves the right to retain from each Eligible Shareholder such number of Distribution Securities as equates to the amount of withholding tax that has to be withheld and paid to the ATO on behalf of that Eligible Shareholder which will be done as soon as practicable after the Record Date as follows:
- (i) The Company will calculate the amount of withholding tax that has to be withheld and paid to the ATO on behalf of that Eligible Shareholder by reference to the value of the Distribution Securities as at the Record Date.
 - (ii) The Company will calculate the number of Distribution Securities it has to retain and sell to pay withholding tax to the ATO on behalf of that Eligible Shareholder.
 - (iii) The Company will retain and sell on behalf of that Eligible Shareholder such number of Distribution Securities as required for the Company to pay withholding tax to the ATO on behalf of that Eligible Shareholder. The prices of the Batavia Shares, Thor Shares and/or Thor Warrants may vary from time to time (assuming a liquid market is available) and as such the Company will retain for sale such number of Distribution Securities as it shall in its absolute discretion determine necessary to sell to pay all of the withholding tax to the ATO.
 - (iv) On completion of the sale of the retained Distribution Securities and the payment of the withholding tax to the ATO on behalf of that Eligible Shareholder the Company will account to the Eligible Shareholder for the sale and payment to the ATO and pay the net proceeds of sale after the payment to the ATO to the Eligible Shareholder.
 - (v) The Capital Reductions are being represented and satisfied by the distribution to Eligible Shareholders of Batavia Shares, Thor Shares and/or Thor Warrants the prices for which may vary from time to time (assuming a liquid market is available) and as such the net proceeds of sale payable to Eligible Shareholders, after the payment to the ATO, may be more or less than the notional dollar value of the Capital Reductions as in this Explanatory Memorandum.
- (f) If the Company retains and sells Distribution Securities on behalf of an Eligible Shareholder then such sale may give rise to a tax liability to Eligible Shareholders depending on their specific circumstances.

Treatment of Capital Component of In Specie Distribution

- (a) Eligible Shareholders will not be entitled to roll-over relief from capital gains tax with respect to the receipt of Distribution Securities by way of in specie distribution (i.e. capital reduction).
- (b) If the value of the Distribution Securities received by an Eligible Shareholder (less the amount which is treated as a dividend) is less than the cost base of the Eligible Shareholders Shares, then the receipt of the return of capital (i.e. the Distribution Securities) should not be subject to tax.
- (c) For the purpose of calculating any capital gain or loss on the future disposal of Shares, the cost base of each Share will be reduced by the value of the Distribution Securities received, after reducing that value for the amount which is treated as a dividend.

- (d) If the value of the Distribution Securities (after reducing that value for the amount which is treated as a dividend) received by an Eligible Shareholder is greater than the existing cost base of the Eligible Shareholders Shares, then a taxable gain may arise at the time of the in specie distribution becoming effective.
- (e) For non-resident Eligible Shareholders, receipt of the in specie distribution will generally not result in a liability for Australian capital gains tax, unless the Eligible Shareholder (together with associates) has held greater than 10% of the Company at any time in the 2 years prior to the distribution for a period of at least 12 months.

3.4 Oversees Shareholders

Distribution of the Distribution Securities to Eligible Shareholders under the Capital Reductions will be subject to legal and regulatory requirements in their relevant jurisdiction. If the requirements of any jurisdiction where the Eligible Shareholder is resident are held to restrict or procure the distribution of securities as proposed or would impose on the Company an obligation to prepare a prospectus or other similar disclosure document or otherwise impose on the Company an undue burden, the Distribution Securities to which the relevant Eligible Shareholder is entitled will be sold by the Company on their behalf as soon as practicable after the Record Date and the Company will then account to those Eligible Shareholders for the net proceeds of sale after deducting the costs and expenses of the sale. The Capital Reductions are being represented and satisfied by the distribution to Eligible Shareholders of Distribution Securities the prices for which may vary from time to time (assuming a liquid market is available) and as such the net proceeds of sale to such Eligible Shareholders may be more or less than the notional dollar value of the Capital Reductions as in this Explanatory Memorandum.

3.5 Advantages and Disadvantages of the Capital Return

The principal advantages and disadvantages to Shareholders of the Capital Reductions are as follows:

- (a) **Advantages**
 - (i) Returns value to Shareholders from assets that are a non core assets.
 - (ii) Returns value to Shareholders without the need for Shareholders to dispose of TNG securities.
- (b) **Disadvantages**

The Directors believe there are no disadvantages, particularly as all Shareholders are participating on a pro-rata basis.

3.6 Recommendation

The Directors consider the proposed Capital Reductions to be fair and reasonable to Shareholders as a whole and the advantages outweigh the disadvantages.

4. Resolution 5 – Change of Company Name

The Directors have determined to change the Company name to **TNG Limited**. Resolution 5 seeks Shareholder approval for the change of name in accordance with section 157 of the Corporations Act.

Resolution 5 is a special resolution.

The Directors believe the change in name is warranted given the Company's current focus on the Manbarrum Zinc-Lead-Silver Project which is not a gold deposit.

5. Resolutions 6 – 9 – Approval of issue of Incentive Options to Directors

5.1 General

Resolutions 6 to 9 seek Shareholders approval in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act for the issue of a total of 10,000,000 Incentive Options to the Directors (or their nominees) as follows:

Mr John W. Barr	3,000,000 Incentive Options;
Mr Neil Biddle	3,000,000 Incentive Options;
Mr Michael Bowen	2,000,000 Incentive Options; and
Mr Terry Smith	2,000,000 Incentive Options.

Shareholder approval is required for the grant of the Incentive Options under ASX Listing Rule 10.11 and section 208 of the Corporations Act because the Directors are related parties of the Company. Furthermore, Shareholder authorisation of the issue of the Incentive Options means that this issue will not reduce the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Incentive Options are transferable but no application for quotation of the Incentive Options will be made currently. If the Company subsequently makes an application for a class of Options with the same terms and conditions then an application for quotation may be made in respect of these Incentive Options.

5.2 Specific Information Required by ASX Listing Rule 10.13 and section 219 of the Corporations Act

For the purposes of ASX Listing Rule 10.13 and section 219 of the Corporations Act information regarding the Incentive Options is provided as follows:

- (a) 10,000,000 Incentive Options will be issued to the Directors (or their nominees) as follows:

Name of Director	Maximum number of Incentive Options to be issued
John W. Barr	Up to 3,000,000
Neil Biddle	Up to 3,000,000
Michael P Bowen	Up to 2,000,000
Terry Smith	Up to 2,000,000

- (b) Mr Edward Fry is not participating in the grant of Incentive Options.
- (c) The issue price of each Incentive Option is nil.

- (d) Each Incentive Option entitles the holder to subscribe for one Share at an exercise price of \$0.50, exercisable on or before 31 March 2010. Shares issued on the exercise of Incentive Options will not participate in the Capital Reductions. The Incentive Options will not initially be quoted on ASX. Further terms and conditions of Incentive Options are in Schedule 2.
- (e) The Company will issue the Incentive Options no later than one month after the date of the Meeting or such longer period of time as ASX may in its discretion allow.
- (f) Each Director (other than Edward Fry) has an interest in the Resolutions under which Incentive Options will be granted to him and therefore believes it inappropriate to make a recommendation. Edward Fry, who is not being granted Incentive Options, is in favour of Resolutions 6 to 9.
- (g) The current Share and Option holdings of the Directors are specified in section 2.2 of the Explanatory Memorandum.
- (h) On the basis of the assumptions below the technical value of each Incentive Option approximates \$0.173 cents. This valuation imputes a total value of \$1,730,000 to the Incentive Options. The value may go up or down after that date as it will depend on the future price of a Share. Black & Scholes methodology has been used, together with the following assumptions:
 - (i) interest rate set at the 6.18%;
 - (ii) date of valuation is for the purposes of settling the current market value of a Share is 19 March 2007;
 - (iii) at this date the Share price was 42.5 cents which is the price used in the valuation; and
 - (iv) the volatility factor is set as 60% which is based on the history of Share trading on ASX over the past 12 months and in particular the movement in share prices over the past 6 months.
- (i) If the Shareholders approve the proposed grant of Incentive Options, the exercise of those Incentive Options will result in a dilution of all other Shareholders holdings in the Company of 8.9% based on the number of issued Shares as at the date of this Explanatory Memorandum and 5.9% based on the number of issued Shares on a fully diluted basis.
- (j) The market price of Shares would normally determine whether the Directors will exercise the Incentive Options or not. If the Incentive Options are exercised at a price that is lower than the price at which Shares are trading on ASX, there may be a perceived cost to the Company.
- (k) No funds will be raised by the issue of the Incentive Options as they are being issued for nil consideration.
- (l) Shareholders have previously approved an aggregate amount of up to \$200,000 to be paid as directors fees.

The Directors have resolved that each director shall receive the amount of \$40,000 per annum as directors fees.

In addition entitles associated with the Directors provide geological and management consulting services and legal services to the Company based on normal commercial terms and charged on a time basis. Amounts invoiced to

the Company in the six months to 31 December 2006 are specified in section 2.4(j) of this Explanatory Memorandum.

- (m) Historical share price information for the last three months is in section 2.4(k) of this Explanatory Memorandum.
- (n) Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 5-8.
- (o) A voting exclusion statement is included in the Notice of General Meeting.
- (p) Shareholder approval is being sought under ASX Listing Rule 10.11 and as such approval is not required under ASX Listing Rule 7.1.

6. Resolution 10 – Section 195 Approval

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Some of the Directors may have a material personal interest in the outcome of Resolutions 2 and 6-9. In the absence of this Resolution 10, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolutions 2 and 6-9.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve upon.

7. Action to be taken by Shareholders

A Proxy Form is attached to the Notice of General Meeting. This is to be used by Shareholders if you wish to appoint a representative (a "proxy") to vote in your place. All Shareholders are invited and encouraged to attend the General Meeting or, if you are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the General Meeting in person.

Shareholders are invited to contact Mr Damian Delaney, Company Secretary, Tennant Creek Gold Limited on (08) 9327 0900 if you have any queries in respect of the matters in these documents.

Schedule 1

Definitions

In this Explanatory Memorandum and the Notice of General Meeting and Proxy Form:

April 2007 Option means an option granted by the Company exercisable at \$0.12 on or before 30 April 2007 which is not listed on ASX.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Batavia means Batavia Mining Limited ACN 009 075 861.

Batavia Capital Reduction means the capital reduction in Resolution 3.

Batavia Share means a fully paid ordinary share in the capital of Batavia.

Capital Reductions means the Batavia Capital Reduction and Thor Capital Reduction and **Capital Reduction** means any of them.

Company or **TNG** means Tennant Creek Gold Limited ACN 000 817 023.

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

December 2011 Option means an option granted by the Company exercisable at \$0.38 on or before 31 December 2011 which is not listed on ASX.

Directors mean the directors of the Company.

Distribution Securities means the securities that the Directors determine to distribute in specie to Shareholders under the Capital Reductions which may include up to 16,293,232 Batavia Shares, up to 15,100,000 Thor Shares, up to 7,500,000 Thor Warrants or any combination thereof.

Effective Date means the date on which ASIC alters the details of the Company's registration in accordance with section 157(3) of the Corporations Act.

Eligible Shareholder means a Shareholder recorded on the Company's share register on a Record Date for the purposes of a Capital Reduction.

General Meeting means the general meeting of the Shareholders to be held by the Company at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday 17 May 2007 at 10.00am.

Incentive Option means an option on the terms and conditions in Schedule 2.

Listed Option means an option granted by the Company exercisable at \$0.15 on or before 31 May 2007 which is listed on ASX (ASX: "TNGO")

Listing Rules means the official listing rules of ASX.

May 2007 Option means an option granted by the Company exercisable at \$0.15 on or before 31 May 2007 which is not listed on ASX.

November 2007 Option means an option granted by the Company exercisable at \$0.23 on or before 30 November 2007 which is not listed on ASX.

Option means an option granted by the Company and includes an Unlisted Option and Listed Option but excludes an Incentive Option.

Placement Facility means as defined in Resolution 2.

Prior Placement means as defined in Resolution 1.

Record Date means the record date (if any) to determine Eligible Shareholders for a Capital Reduction as determined and announced by the Directors.

Shareholder means a Company shareholder.

Share means a fully paid ordinary share in the capital of the Company.

Southern Cross Equities or Underwriter means Southern Cross Equities Limited ABN 87 071 935 441.

Thor means Thor Mining PLC ARBN 121 117 673.

Thor Capital Reduction means the capital reduction in Resolution 4.

Thor Share means a fully paid ordinary share in the capital of Thor.

Thor Securities means Thor Shares and Thor Warrants.

Thor Warrant means a warrant in the capital of Thor exercisable at £0.08 on or before 15 June 2009.

Underwriting Agreement means the Underwriting Agreement executed by the Company and Southern Cross Equities and dated on or about 12 March 2007.

Unlisted Optionholder means the holder of an Unlisted Option.

Unlisted Options means Options granted by the Company that are not listed on ASX and include April 2007 Options, May 2007 Options, November 2007 Options and December 2011 Options

In this Explanatory Memorandum and the Notice of General Meeting and Proxy Form words importing the singular include the plural and vice versa.

Schedule 2

Incentive Options

Terms and Conditions of Incentive Options

1. Entitlement

The Incentive Options entitle the holder to subscribe for one (1) unissued Share upon the exercise of each Incentive Option.

2. Exercise Price

The exercise price of each Incentive Option is A\$0.50.

3. Expiry Date

Each Incentive Option expires on 31 March 2010.

4. Exercise Period

The Incentive Options are exercisable at any time prior to the Expiry Date.

5. Notice of Exercise

The Incentive Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Incentive Option being exercised. Any notice of exercise of an Incentive Option received by the Company will be deemed to be a notice of the exercise of that Incentive Option as at the date of receipt.

6. Shares issued on exercise

Shares issued on exercise of the Incentive Options rank equally with the shares of the Company.

7. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Incentive Options.

8. Timing of issue of Shares

After an Incentive Option is validly exercised the Company must as soon as possible:

- (a) issue the Share; and
- (b) do all such acts matters and things to obtain
 - (i) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Incentive Option; and
 - (ii) receipt of cleared funds equal to the sum payable on the exercise of the Incentive Options.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Incentive Options and holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the holder of Incentive Options the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Incentive Option will be increased by the number of Shares which the Incentive Option holder would have received if the Incentive Option holder had exercised the Incentive Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

11. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Incentive Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S+D)]}{N+1}$$

O = the old Exercise Price of the Incentive Option.

E = the number of underlying Shares into which one (1) Incentive Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) new share.

12. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Incentive Option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. Quotation of Incentive Options

The Incentive Options will be unlisted options and no application for quotation of the Incentive Options will be made by the Company until such time as the Company in its absolute discretion determines otherwise. Should the Company make an application for a quotation of the Incentive Options and ASX accepts the application for quotation of the Incentive Options then the Incentive Options will be listed Incentive Options from the time that ASX accepts such application.

14. Incentive Options transferable

The Incentive Options are transferable.

15. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Incentive Options with the appropriate remittance should be lodged at the Company's share registry.

Schedule 3

Material Terms of the Underwriting Agreement

Southern Cross Equities obligations under the Underwriting Agreement are subject to certain standard conditions precedent and events of termination. Southern Cross Equities obligation to subscribe for Shares is subject to the following conditions precedents:

1. the Company being capable of accepting applications in respect of the Placement in accordance with the Corporations Act by the Placement Date;
2. all the Underwritten Options being validly granted and enforceable;
3. any Shareholder approvals required in relation to the transactions contemplated by the Underwriting Agreement being obtained; and
4. the Company providing the Underwriter with each of the April Shortfall Notice and the May Shortfall Notice on or before the time specified for each of them in transaction timetable.

Southern Cross Equities may terminate the Underwriting Agreement if:

1. **(S&P/ASX 200 Index fall)** the S&P/ASX 200 Index is on any two consecutive Trading Days prior to the May Option Shortfall Date more than 10% below the level of that Index at the close of Normal Trading on the Trading Day before the date of signing the Underwriting Agreement;
2. **(market conditions)** any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or in the international financial markets or any material adverse change occurs in national or international political, financial or economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriter reached in good faith, it is impracticable to market the Placement or to enforce contracts to issue and allot the Placement Shares or that the success of the Placement or the Option Exercise is likely to be adversely affected;
3. **(adverse change)** any material adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company and the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company) from those respectively disclosed in the Public Information, including:
 - (a) any change in the earnings, future prospects or forecasts of the Company or an entity in the Group;
 - (b) any change in the nature of the business conducted by the Company or an entity in the Group; or
 - (c) the insolvency or voluntary winding up of the Company or an entity in the Group or the appointment of any receiver, receiver and manager, liquidator or other external administrator;
4. **(withdrawal)** the Company withdraws or terminates the Placement;
5. **(hostilities)** hostilities, political or civil unrest not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities, political or civil unrest occurs (whether war has been declared or not) involving any one

or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, Israel, Japan, Indonesia or the Peoples Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;

6. **(change of law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia, or any State or Territory of Australia, a new law, or the Reserve Bank of Australia, or any Commonwealth, State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is likely to have a material adverse effect on the success of the Placement;
7. **(change in management)** a change in the board of Directors or senior management of the Company occurs;
8. **(legal proceedings and offence by Directors)** any of the following occurs:
 - (a) a Director is charged with an indictable offence;
 - (b) legal proceedings are commenced against the Company or any Director; or
 - (c) any Director is disqualified from managing a corporation under section 206A of the Corporations Act;
9. **(change to constitution)** prior to the Completion, a change to the constitution of the Company or the Company's capital structure occurs without the prior written consent of the Underwriter;
10. **(compliance with regulatory requirements)** a contravention by the Company or any entity in the Group of the Corporations Act, Listing Rules, its constitution or any other applicable law or regulation;
11. **(breach)** the Company breaches any of its obligations under the Underwriting Agreement;
12. **(material contract breach)** any person commits a substantial breach of a material contract;
13. **(representations and warranties)** any representation or warranty contained in the Underwriting Agreement on the part of the Company is not true or correct; or
14. **(prescribed occurrence)** an event specified in section 652C(1) or section 652C(2) of the Corporations Act, but replacing "target" with "Company".

The Company agrees to indemnify the Indemnified Parties from and against all claims, actions, damages, losses, liabilities, costs or expenses, including costs for legal advice on a solicitor client basis, which any Indemnified Party incurs or suffers in respect of or any way relating to the Underwriting Agreement.

The Underwriting Agreement contains covenants, warranties, representations and other terms normal for an agreement of that nature.

In this Schedule 3 the following words have these meanings unless the contrary intention appears:

April Options means the 7,000,000 Options exercisable at 12 cents per share on or before 30 April 2007 that are not listed on the ASX.

April Option Exercise means the dollar amount raised by the Company from the Option Exercise of the April Options by the close of business in Perth on 30 April 2007.

April Option Total Exercise Price means \$840,000 being the total of the exercise prices on all the April Options.

April Option Shortfall means the dollar amount by which the April Option Exercise is less than the April Option Total Exercise Price as at the April Option Shortfall Date.

April Option Shortfall Date means the first Business Day after 30 April 2007

April Option Shortfall Notice means the notice from the Company to the Underwriter advising of the April Option Shortfall and requiring the Underwriter or its nominees to make subscriptions for the April Option Shortfall Share Subscription

April Option Shortfall Notification Date means the 3rd Business Day after 30 April 2007.

April Option Shortfall Share Subscription means the number of Shares that the Company shall require the Underwriter or its nominees to make application for at 12 cents per Share in cleared funds by the April Option Shortfall Subscription Date to make good the amount of the April Option Shortfall.

April Option Shortfall Subscription Date means two Business Days after the Underwriter has received the April Option Shortfall Notice from the Company

Business Day means a day that the ASX is open for business in Sydney.

Business Rules means the official business rules of ASX as waived or modified by ASX.

Claim means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Completion will occur when all of the Shares have been allotted by the Company in accordance with the Underwriting Agreement.

Group means the Company and each Related Body Corporate of the Company.

GST has the same meaning as in the GST Law.

GST Law has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of GST.

Indemnified Parties means the Underwriter, its officers, employees, advisers and Related Bodies Corporate, and the officers, employees and advisers of any of its Related Bodies Corporate.

Listed Options means the May Listed Options.

May Options means the May Listed Options and the May Unlisted Options.

May Listed Options means the 53,100,000 options granted by the Company, listed on ASX and exercisable at 15 cents per Share on or before 31 May 2007.

May Unlisted Options means the 2,000,000 Options granted by the Company, not listed on the ASX and exercisable at 15 cents per share on or before 31 May 2007.

May Option Exercise means the total dollar amount raised by the Company from the Option Exercise of the May Options by the close of business in Perth on 31 May 2007.

May Option Total Exercise Price means \$8,340,000 being the aggregate of the total of exercise prices on all of the May Listed Options and the May Unlisted Options.

May Option Shortfall means the dollar amount by which the May Option Exercise is less than the May Option Total Exercise Price as at the May Option Shortfall Date.

May Option Shortfall Date means the first Business Day after 31 May 2007.

May Option Shortfall Notice means the notice from the Company to the Underwriter advising of the May Option Shortfall and requiring the Underwriter or its nominees to make subscriptions for the May Option Shortfall Share Subscription

May Option Shortfall Notification Date means the 3rd Business Day after 31 May 2007.

May Option Shortfall Share Subscription means the number of Shares that the Company shall require the Underwriter or its nominees to make application for at 15 cents per Share in cleared funds by the May Option Shortfall Subscription Date to make good the amount of the May Option Shortfall.

May Option Shortfall Subscription Date means two Business Days after the Underwriter has received the May Option Shortfall Notice from the Company

Normal Trading has the meaning given to that term in the Business Rules.

Option means an option granted by the Company to acquire a Share.

Option Exercise means the exercise of Underwritten Options by an optionholder paying the exercise price on the Underwritten Option to the Company in cleared funds on or before the expiry date of the Option.

Options Shortfall Notification Dates means the April Option Shortfall Notification Date and the May Option Shortfall Notification Date.

Option Shortfall Share Subscriptions' means the April Option Shortfall Share Subscription and the May Option Shortfall Share Subscription.

Placement means the placement of 6 million Shares at 39 cents per Share to raise \$2.34 million.

Placement Amount means \$2,340,000.

Placement Application Form means the application form for Shares in the Placement.

Placement Date means the date on which the Placement Shares are allotted.

Placement Price means \$0.39 per Placement Share.

Placement Share means a Share offered in the Placement.

Price in relation to a supply means the amount of any payment in connection with the supply and the GST-exclusive market value of any non-monetary consideration.

Public Information means public and other media statements made by or on behalf of the Company in relation to the affairs of the Company.

Related Body Corporate has the meaning given by section 50 of the Corporations Act.

Tax Invoice has the meaning given to that term in the GST Law.

Trading Day means a day which is a trading day of ASX under section 2 of the Business Rules.

Underwritten Amount means \$9,180,000 being the aggregate of the April Option Total Exercise Price and the May Option Total Exercise Price.

Underwritten Options means the April Options and the May Options.

Underwritten Shortfall means the total of April Option Shortfall and the May Option Shortfall.

Unlisted Options means the April Options and the May Unlisted Options.

TENNANT CREEK GOLD LIMITED

ABN 12 000 817 023

PROXY FORM

The Company Secretary
Tennant Creek Gold Limited

Shareholder Details

Shareholder Name: _____

Shareholder Address: _____

Number of Shares held: _____

Appointment of Proxy

I/We being a member/s of Tennant Creek Gold Limited and entitled to attend and vote hereby appoint

☐

The Chairman of
the meeting (mark
with a X)

OR

☐

Write here the name of the person
you are appointing if this person is
someone other than the Chairman
of the meeting.

or failing such appointment the chairman of the general meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 3 April 2007 at 10.00am and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * [] % of the Shareholder's votes*/ [] of the Shareholder's votes.

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

IMPORTANT:

If the chairman of the General Meeting is to be your proxy and you have not directed your proxy how to vote on Resolutions 3 please tick this box.

☐

By marking this box you acknowledge that the chairman of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolution 2, and 6 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the chairman of the General Meeting will not cast your votes on Resolutions 2, 3, 4 or 6 and your votes will not be counted in computing the required majority if a poll is called on these Resolutions.

The chairman of the General Meeting intends to vote undirected proxies in favour of the Resolutions.

Voting directions to your proxy – please mark **X to indicate your directions.**

		For	Against	Abstain
Resolution 1	Ratify Prior Placement	☐	☐	☐
Resolution 2	Authorise of Placement Facility	☐	☐	☐
Resolution 3	Capital Distribution of Batavia Securities	☐	☐	☐
Resolution 4	Capital Distribution of Thor Securities	☐	☐	☐
Resolution 5	Change of Company Name	☐	☐	☐
Resolution 6	Approval of issue of Incentive Options to Mr John W. Barr	☐	☐	☐
Resolution 7	Approval of issue of Incentive Options to Mr Neil Biddle	☐	☐	☐
Resolution 8	Approval of issue of Incentive Options to Mr Michael Bowen	☐	☐	☐
Resolution 9	Approval of issue of Incentive Options to Mr Terry Smith	☐	☐	☐
Resolution 10	Section 195 Approval	☐	☐	☐

PLEASE SIGN HERE**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

¹Insert name and address of Shareholder

Contact Daytime Telephone

²Insert name and address of proxy

Date

*Omit if not applicable

Proxy Notes:**Appointment of a Proxy**

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box.

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person.

If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the Company

If the Shareholder is entitled to cast 2 or more votes at the general meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that general meeting, the representative of the body corporate to attend the general meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the general meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Return of Proxy Forms

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Company's office as set out below not less than 48 hours prior to the time of commencement of the general meeting (WST).

Facsimile: +618 9327 0901

Post:

PO Box 1126
Subiaco WA 6904

Delivery: Level 1
282 Rokeby Road
Subiaco WA 6008