

DRILLING COMMENCES AT MANBARRUM ZINC PROJECT – NORTHERN TERRITORY

HIGHLIGHTS

5 June 2007

- RC and Diamond Drilling now underway as part of 2007 exploration program.
- RC rig currently testing extensions to the 10.5Mt Sandy Creek deposit.
- Initial drilling intersects significant zinc sulphides outside the resource zone.
- IP data and initial results from drilling upgrade tonnage potential of Sandy Creek deposit.
- Drilling to progressively test four key IP targets, commencing with NEIP Prospect, 400m north-east of Sandy Creek.

Tennant Creek Gold Limited (**ASX: TNG** – “TNG”) is pleased to advise that both Diamond and Reverse Circulation (RC) drilling has now commenced at its 100%-owned **Manbarrum Zinc-Lead-Silver Project** in the Northern Territory as part of the Company's recently announced A\$8 million exploration field season for calendar 2007.

Two rigs are currently operational at Manbarrum – a new diamond drill rig and a high-powered Reverse Circulation (RC) rig. RC drilling commenced mid-last week targeting extensions to the Sandy Creek deposit, which contains an initial JORC compliant resource of **10.5 million tonnes at 3% Zn, 0.74% Pb and 5.5g/t Ag (3.3% Zn Eq)**.

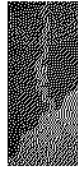
Diamond drilling commences today, initially at Sandy Creek, to verify broad intersections of high-grade zinc-lead-silver mineralization from last year's drilling. The diamond drilling will also extract core for metallurgical and geotechnical purposes.

The first fence of RC drill holes, located 50 metres south of the Sandy Creek resource zone, have **all intersected significant Sphalerite** (zinc sulphide, ZnS) within a broad near-surface zone averaging 300 metres wide by 20 metres thick.

Geological logging of the results to date, together with information from detailed Induced Polarisation (IP) surveys currently underway, have significantly enhanced the tonnage potential of the Sandy Creek Resource.

Information received to date from the IP surveys indicates extensions to Sandy Creek Main Zone to the south, well beyond the limit of drilling to date, and probable continuous mineralization to the north east linking with the **NEIP Prospect**. RC drilling will continue to test extensions to the north and south of the Sandy Creek resource zone before moving to the NEIP Prospect, 400 metres north east of the Sandy Creek Main Zone.

TNG's exploration team has confirmed the potential for the Manbarrum Project, which is located 70km north-east of Kununurra, to host multiple pods of Mississippi Valley Type (MVT) base metal mineralization of similar scale or larger than the existing Sandy Creek deposit. The objective of the 2007 drilling program is to confirm this potential and establish a strategically significant inventory of zinc-lead-silver resources.



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The 2007 drilling program will comprise a total of 159 RC drill holes for 20,000 metres and approximately 45 diamond drill holes for 10,000 metres to in-fill and extend the current resource at Sandy Creek and undertake regional exploration at four priority targets identified from detailed IP and gravity surveys completed last year.

It is anticipated that both drilling rigs will continue work on a 24-7 basis through until the commencement of the northern wet season. Because of the excellent drilling conditions in the carbonate host rock at Manbarrum, it is anticipated that the program will advance rapidly, with the RC rig scheduled to relocate to the NEIP Prospect within 2-3 weeks.

The RC rig will subsequently progress to test the other three targets, **Browns, Djibitgun and Landandi**, and will be followed the diamond rig at each prospect, subject to results.

"We are very pleased that our long-awaited 2007 drilling program is finally underway, with two rigs now operational and working round the clock," said TNG's Managing Director, Mr Neil Biddle. "The forthcoming drilling programs will provide definitive evidence of the broader scope and potential of the Manbarrum Project, including confirmation of whether we have a potentially major new MVT district."

"Typically, MVT-style deposits occur in clusters and our exploration team is confident that the Manbarrum Project has the potential to evolve into a world-class MVT district," he continued. "This is a very important exploration program for TNG – and indeed one of the most significant exploration programs currently underway in the Northern Territory – and we are looking forward to the opportunity of establishing Manbarrum as a globally significant zinc-lead-silver project."

Significant results from the current drilling program will be released to the market as they become available. The extensive nature of the drilling program will ensure a steady level of news flow from the Manbarrum Project over the balance of the year.

Yours faithfully

TENNANT CREEK GOLD LTD

Neil Biddle
Managing Director

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.

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