



10 May 2021

Tanami Gold NL and Northern Star Resources Agree to Restructure Central Tanami JV

Highlights

- Tanami Gold NL (ASX: TAM) ("Tanami Gold") and Northern Star Resources Limited (ASX: NST) (Northern Star) have agreed to form a new Joint Venture with the express purpose of commencing mining of the Groundrush deposit as soon as practicable commensurate with good mining practice.
- Under the agreement, Northern Star will purchase a further 10% interest in the Central Tanami Project for \$15m cash, increasing its stake to 50%
- A new management company comprising two representatives each from Tanami and Northern Star will manage the project

The Board of Tanami Gold is pleased to announce after carefully considering various options that it has entered into a binding agreement with Northern Star Resources Limited and its wholly owned subsidiary Northern Star (Tanami) Pty Ltd to establish a new 50/50 Joint Venture covering the Central Tanami Project.

The agreement is aimed at providing a pathway for exploration and development at Central Tanami with the mutual objective of developing and commencing mining of the Groundrush deposit and any ore reserves and resources delineated on the Joint Venture tenements at the earliest possible time commensurate with good mining practice.

Pursuant to the terms of the new agreement:

- 1) Northern Star will acquire a further 10% of the project for \$15m cash on completion.
- 2) A 50/50 Joint Venture Management Company independently staffed will manage the project. The Joint Venture Management Company will seek to procure suitably qualified staff to manage the project.
- 3) Tanami Gold and Northern Star will be jointly responsible for funding all exploration and development activities to be carried out through the Management Company.
- 4) The previous Heads of Agreement will be terminated on completion.

It is envisaged that the Management Company will develop a program to complete the initial exploration drilling, engineering studies and plant design as soon as possible.

Northern Star will also enter into a Service Agreement with Tanami Gold and the Joint Venture Management Company whereby it will provide certain services such as indigenous affairs to the Management Company, at market rates.



The proposed transaction is subject to conditions precedent, namely Ministerial approval, and Tanami Gold obtaining shareholders' approval. This condition may be waived by Tanami Gold, in its absolute discretion.

The proposed transaction is subject to limited warranties that are customary and appropriate for transactions of this nature.

Further information regarding the proposed transaction, including a notice of meeting in respect of the proposed shareholder approval will be provided to Tanami Gold shareholders in due course.

Authorised for release to ASX by Arthur Dew, Chairman