TANAMI GOLD NL

ABN 51 000 617 176

2021 ANNUAL REPORT

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Dear Shareholder

The major project for the Company during the year was the renegotiation of the Joint Venture with Northern Star regarding the development of the Company's Groundrush deposit.

We are pleased that the new 50 / 50 Joint Venture Agreement has now been completed and a Joint Venture operating company formed to manage the Joint Venture.

The agreement provides that the express intention of the new Joint Venture is to develop the Groundrush mine as soon as possible consistent with commercial constraints and good mining practice. The Company has also received $15m for the sale of an additional 10% of the project to Northern Star and Tanami will be a 50 / 50 owner of the project with equal influence on its development.

We believe the new Joint Venture agreement provides a significant opportunity to complete the exploration at Groundrush and surrounding tenements and to commence mining at an early date provided, on completion of the exploration work and necessary engineering and other studies, mining is commercially attractive.

I would like to thank our Directors and staff for their efforts and our shareholders for their support during this year.

Yours faithfully

Arthur Dew

Chairman

Table 1: Tanami Gold NL Mineral Resources as at 15 September 2021 (50% Tanami)

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces
CTP	6,255,000	2.9	579,000	11,075,000	2.8	1,001,000	12,106,000	2.9	1,133,000	29,436,000	2.9	2,713,000
CTP Stockpile	1,400,000	0.7	31,000	-	-	-	-	-	-	1,400,000	0.7	31,000
Total	**7,655,000**	**2.5**	**610,000**	**11,075,000**	**2.8**	**1,001,000**	**12,106,000**	**2.9**	**1,133,000**	**30,836,000**	**2.8**	**2,744,000**

Table 2: Central Tanami Project Mineral Resources as at 15 September 2021 (50% Tanami)

Mineral Lease	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
MLS153	1,051,000	2.2	73,000	3,046,000	2.2	217,000	849,000	2.7	74,000	4,946,000	2.3	364,000
MLS167	2,709,000	3.4	293,000	2,613,000	2.9	244,000	2,050,000	2.9	191,000	7,372,000	3.1	728,000
MLS168	854,000	2.2	60,000	314,000	1.6	16,000	1,094,000	1.6	58,000	2,262,000	1.8	134,000
MLS180	545,000	3.3	57,000	872,000	2.7	76,000	269,000	2	18,000	1,686,000	2.8	151,000
EL28282	1,096,000	2.7	96,000	176,000	1.8	10,000	142,000	2.7	12,000	1,414,000	2.6	118,000
ML22934 – Groundrush	-	-	-	4,054,000	3.4	438,000	6,602,000	3.3	691,000	10,656,000	3.3	1,129,000
ML22934 – Ripcord	-	-	-	-	-	-	1,100,000	2.5	89,000	1,100,000	2.5	89,000
Sub Total	**6,255,000**	**2.9**	**579,000**	**11,075,000**	**2.8**	**1,001,000**	**12,106,000**	**2.9**	**1,133,000**	**29,436,000**	**2.9**	**2,714,000**
Stockpiles	1,400,000	0.7	31,000	-	-	-	-	-	-	1,400,000	0.7	31,000
Total	**7,655,000**	**2.5**	**610,000**	**11,075,000**	**2.8**	**1,001,000**	**12,106,000**	**2.9**	**1,133,000**	**30,836,000**	**2.8**	**2,744,000**

Notes to accompany Tables 1 and 2

1. CTP is Central Tanami Project.
2. Resource estimations completed using MineMap, Vulcan and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
3. Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
4. Resources reported above relevant cut-offs based on economic extractions, varying between 0.7g/t Au and 2.5g/t Au block model grade.
5. Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.
6. Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t. Rounding may affect tallies.
7. On 4th of August 2015, an unincorporated joint venture ("JV") was formed between the Company and Northern Star Resources Limited who purchased an initial 25% interest in the Company's CTP. On 14 September 2018, the Company exercised the first put option available to it under the JV to sell a further 15% in the CTP. On 15 September 2021, the Company announced the Completion of the 50/50 joint venture covering the CTP JV resulting in the sale of a further 10% in the CTP. As at 15 September 2021, the Company retains a 50% interest in the CTP Resources stated in this table.

ESTIMATION GOVERNANCE STATEMENT

The Company ensures that all Mineral Resource calculations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons.

The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2004 and 2012.

COMPETENT PERSON'S STATEMENT

The information in this report pertaining to Mineral Resources for the Central Tanami Project excluding ML22934 – Groundrush were compiled by Mr Bill Makar (MAusIMM), former Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), former Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs. Claire Hillyard (MAusIMM), former Resource Geologist for Tanami Gold NL, Mr Mark Drabble (MAusIMM) – Principal Consultant Geologist, Optiro Pty Ltd and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs. Hillyard, Mr Drabble and Mr Ball have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Persons as defined in the 2004 JORC Code. The Mineral Resources were prepared and disclosed in the Tanami Gold NL Quarterly Report for the period Ending 30 June 2014 in accordance with the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004 JORC Code), which was released to the ASX on the 30 July 2014. The Mineral Resources have not been updated since to comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) on the basis that the information has not materially changed since it was last reported. Mr Makar, Mr Thomson, Mr Nicholls, Mrs. Hillyard, Mr Drabble and Mr Ball have previously provided consent for the inclusion of the matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources as reported on the 30 July 2014, and the assumptions and technical parameters underpinning the estimates in the 30 July 2014 release continue to apply and have not materially changed.

Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a Director of Tanami Gold NL and 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 Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources dated 30 June 2014 presented in this report have not been materially modified and are consistent with the 30 July 2014 release. Mr Neale Edwards has provided written consent approving the use of previously reported Mineral Resources in this report in the form and context in which they appear.

The information in this report that relates to the Mineral Resource for ML22934 Groundrush was previously disclosed on the 1 October 2018 to the ASX in the Tanami Gold NL 2018 Annual Report. It is based on information compiled Mr Brook Ekers, a Competent Person who is a full-time employee of Northern Star Resources Limited. Mr Ekers is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Ekers previously provided consent for the inclusion in the 1 October 2018 report of the matters based on his information in the form and context in which they appeared.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources as reported on the 1 October 2018, and the assumptions and technical parameters underpinning the estimates in the 1 October 2018 report continue to apply and have not materially changed.

Mr Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a Director of Tanami Gold NL and 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 Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources dated 1 October 2018 presented in this report have not been materially modified and are consistent with the 1 October 2018 release. Mr Neale Edwards has provided written consent approving the use of previously reported Mineral Resources in this report in the form and context in which they appear.

The Directors present their report together with the consolidated financial report of the Consolidated Entity, being the Company and its subsidiaries for the year ended 30 June 2021 and the auditor's report thereon.

1. Directors

The Directors of the Company at any time during or since the end of the financial year are:

Non-Executive Chairman – Arthur G Dew, B.A., L.L.B. (appointed 2 December 2011 as a Non-Executive Director and Non-Executive Chairman as of 27 November 2018)

Mr Arthur Dew graduated from the Law School of the University of Sydney, Australia, and was admitted as a Solicitor and later as a Barrister of the Supreme Court of New South Wales, Australia. Mr Dew is a non-practicing Barrister with a broad range of corporate and business experience and has served as a director, and in some instances Chairman of the Board of Directors, of a number of publicly listed companies in Australia, Hong Kong and elsewhere. He is Chairman and Non-Executive Director of Hong Kong listed companies Allied Group Limited (Stock Code: 373), APAC Resources Limited (Stock Code: 1104) and Dragon Mining Limited (Stock Code: 1712). He is also Non-Executive Director of ASX listed company Tian An Australia Limited (previously known as PBD Developments Limited) (ASX: TIA). Mr Dew retired from the positions of Chairman and Non-Executive Director of Allied Properties (H.K.) Limited (a company previously listed on The Stock Exchange of Hong Limited until 26 November 2020) with effect from 1 January 2021 and resigned as a Non-Executive Director of Hong Kong listed company SHK Hong Kong Industries Limited effective 27 April 2021.

Non-Executive Director – Gerard J McMahon (resigned as Non-Executive Chairman as of 27 November 2018 and appointed 23 April 2013 as a Non-Executive Director)

Mr Gerard McMahon is admitted as a Barrister in Hong Kong and New South Wales and has been living and working in Hong Kong for over 35 years. He is a Non-Executive Director of Hong Kong listed Guangnan (Holdings) Limited (appointed 2000). Mr McMahon is also a consultant to ZZCI Corporate Finance Limited, a Hong Kong based corporate finance and advisory firm which he co-founded (formerly known as Asian Capital (Corporate Finance) Limited). Over the past 30 years, Mr McMahon has been a director of other listed Companies in the Asia Pacific region which are involved in the banking, manufacturing, retailing, information technology, medical, telecoms & mining industries. Mr McMahon's experience includes extensive involvement in Hong Kong's Securities and Futures Commission as Chief Counsel, Member and Executive Director and is specialised in Hong Kong company law, securities and banking law and takeovers and mergers regulations.

Special responsibilities - Member of the Audit Committee and the Remuneration and Nomination Committee.

Non-Executive Director – Carlisle C Procter, B.Ec, M.Ec, FFin, (appointed 9 December 2011)

Mr Carlisle Procter graduated from the University of Sydney with a bachelor's degree and a master's degree in Economics. He is a fellow of the Financial Services Institute of Australasia (FFin.). Based in Australia, Mr Procter worked in the Reserve Bank of Australia for over 30 years, holding various senior management positions. Since leaving the Reserve Bank, he has worked as a consultant to the International Monetary Fund and the Asian Development Bank and has also undertaken private consulting work in Southeast Asia and the Pacific. Mr Procter has been a Non-Executive Director of a number of public companies. He is currently a Non-Executive Director of Hong Kong listed company Dragon Mining Limited (Stock Code: 1712).

Special responsibilities – Chairman of the Audit Committee and Member Remuneration and Nomination Committee.

Non-Executive Director – Brett Montgomery (appointed 6 February 2013)

Mr Brett Montgomery has extensive experience in the management of publicly listed mining companies having previously been the Managing Director of Kalimantan Gold NL, a Director of Grants Patch Mining Limited and Chairman and Joint Managing Director of Eurogold Limited. Mr Montgomery was appointed Non-Executive Director of AIC Mines Limited (formerly AIC Resources Limited) on 11 February 2019 (ASX: A1M). He was appointed a Non-Executive Director of Magnum Gas and Power Limited on 9 October 2008 (resigned 19 August 2016) and Non-Executive Director of EZA Corporation Ltd on 19 November 2014 (resigned 18 January 2016) and Non-Executive Director of Bard1 Life Sciences Limited (formerly Eurogold Limited) on 17 November 2014 (resigned on 17 June 2019).

Special responsibilities - Member of the Audit Committee and Chairman of the Remuneration and Nomination Committee.

Non-Executive Director – Brett R Smith (appointed 27 November 2018)

Mr Brett Smith graduated from Melbourne University, Australia with a bachelor's degree in Chemical Engineering with Honours. He has also obtained a master's degree in Business Administration from Henley Management College, the United Kingdom and a master's degree in Research Methodology from Macquarie University, Australia. Mr Smith has participated in the development of a number of mining and mineral processing projects including coal, iron ore, base and precious metals. He has also managed engineering and construction companies in Australia and internationally. Mr Smith has served on the board of private mining and exploration companies and has over 32 years international experience in the engineering, construction, and mineral processing businesses. Mr Smith is Executive Director of ASX listed company Metals X Limited (ASX: MLX) and Hong Kong listed company Dragon Mining Limited (Stock Code: 1712), Executive Director and Deputy Chairman of Hong Kong listed company APAC Resources Limited (Stock Code: 1104) and a Non-Executive Director of ASX listed companies Prodigy Gold NL (formerly known as ABM Resources NL) (ASX: PRX) and Elementos Limited (ASX: ELX) on 24 January 2020.

Non-Executive Director – Neale M Edwards (appointed 28 May 2021), BAppSc (Hons) and BSc (Hons); Fellow of Australian Institute of Geoscientists (FAIG)

Mr Neale Edwards has over 30 years' experience in the mineral exploration and mining industry, covering major geological regions throughout Australia, the Pacific Rim, northern Africa, and Europe. Mr Edwards holds a Bachelor of Science (Hons) and is a Fellow of the Australian Institute of Geoscientists.

2. Company Secretary

Pauline Collinson was appointed Company Secretary on 18 July 2013 and has over 25 years' experience in the mining industry. She is the Joint Company Secretary of HKEx listed entity Dragon Mining Limited (Stock Code: 1712). Ms Collinson was previously the Company Secretary of ASX listed BARD1 Life Sciences Limited (ASX:BD1) and a Non-Executive Director of Eurogold Limited (now known as BARD1 Life Sciences Limited).

3. Directors' Meetings

Directors	Board Meetings		Audit Committee Meetings		Remuneration and Nomination Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Mr A Dew	2	2	2	2	-	-
Mr G McMahon	2	2	2	2	-	-
Mr C Procter	2	2	2	2	-	-
Mr B Montgomery	2	2	2	2	-	-
Mr B Smith	2	2	2	2	-	-
Mr N Edwards	-	-	-	-	-	-
Mr Wong Tai Chun Mark*	2	-	2	-	-	-

*Mr Wong is alternate Director to Mr A Dew.

4. Nature of Operations and Principal Activities

The Company is a no liability company and is domiciled and incorporated in Australia. The principal activity of the Consolidated Entity during the financial year related to its involvement in the Heads of Agreement with Northern Star Resources Limited ("Northern Star") to develop the Company's Central Tanami Project ("CTP") in the Tanami Desert in the Northern Territory.

5. Corporate and Financial Review

COVID-19 Pandemic Response

The COVID-19 pandemic has had a significant impact on, individuals, communities, and businesses globally. Employees at all levels of the Company's business were asked to change the way they work, and how they interacted professionally and socially. In line with the various Government health measures, the Group implemented significant controls and requirements at all its sites to protect the health and safety of its workforce, their families, local suppliers, and neighbouring communities, while ensuring a safe environment for operations to continue.

The Group's COVID-19 response protocols reinforce, and operate concurrently with, public health advice. They include:

- social distancing protocols;
- suspension of large indoor gatherings;
- cancellation of all non-essential travel;
- flexible and remote working plans for employees;
- access to site restrictions and temperature screening;
- self-isolation following international travel, development of symptoms or interaction with a confirmed case of COVID-19;
- increased inventory of hand sanitiser and hygiene supplies; and
- increased focus on cleaning and sanitation.

The COVID-19 pandemic, and the various Government measures so far introduced have not, to date, significantly disrupted the Group's activities but did cause delays at various times due to Government lockdowns. No adjustments have been made to the Group's financial results. However, the scale and duration of possible future Government measures, including vaccine rollouts necessarily remains highly uncertain, as does their possible impact on the Group's operations and financial situation

Restructure of JV with Northern Star

On 10 May 2021, the Company entered into a binding agreement ("Agreement") with Northern Star and its wholly owned subsidiary Northern Star (Tanami) Pty Ltd to establish a new 50/50 Joint Venture ("Joint Venture") covering the Central Tanami Project Joint Venture ("CTP"). The Agreement envisages that the previous Heads of Agreement will be terminated on completion.

The express purpose of the new Agreement is to commence 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 CTP for $15m cash, increasing its stake to 50%. Upon Completion of the Agreement, a Joint Venture Management Company ("Management Company") will be formed to manage the CTP. The Management Company will be overseen by a Board of Directors' comprising two representatives each from Tanami and Northern Star. Tanami and Northern Star will be jointly responsible for funding all exploration and development activities to be carried out by the Management Company.

On 16 September 2021, the Company announced that Completion under the Agreement had occurred. See section 9 - Events Subsequent to Reporting Date.

Northern Star Shares

At 30 June 2021, the Company had 500,000 (2020: 500,000) shares in Northern Star.

6. Exploration Activities Overview

Central Tanami Project (50% Tanami)

Northern Star advised that limited on-ground exploration programs were maintained during the year with activities restricted due to ongoing access restrictions caused by COVID-19 entry protocols. Seasonal rainfall during the year has impacted the movement of personnel in and around the CTP, with roads and infrastructure requiring extensive repair.

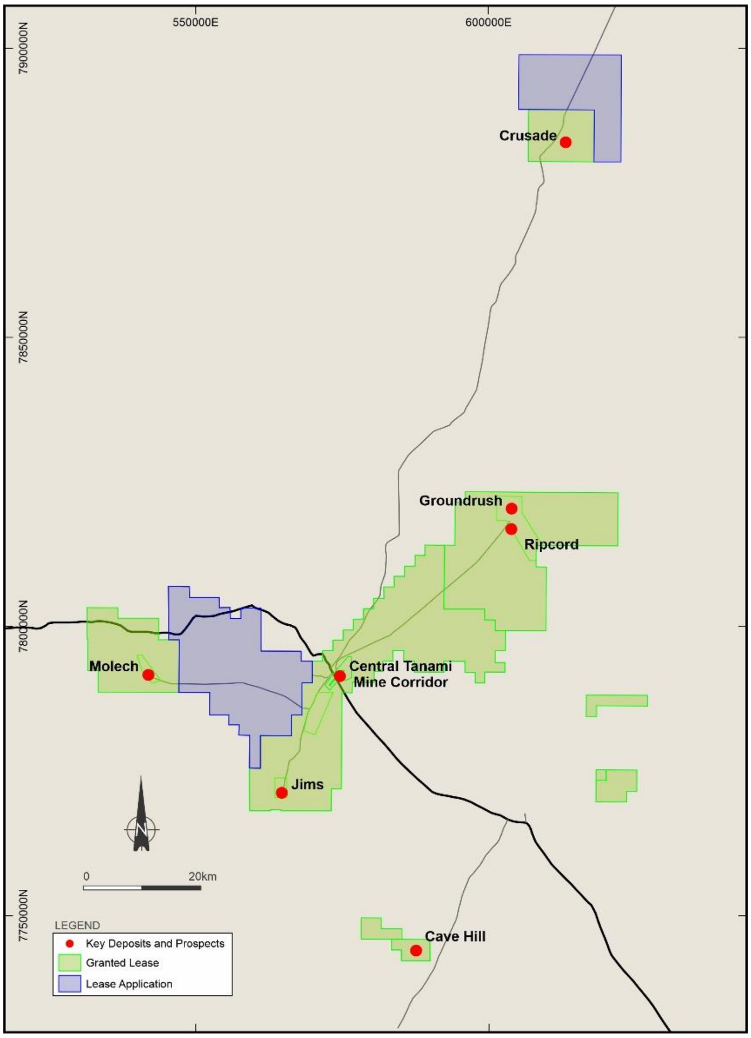


Figure 1 – CTP JV Tenements

The following activities were completed by Northern Star during the year.

Gold Paragenesis and Geometallurgy Project (CSIRO)

During the year, Applied Petrologic Services and Research ("APSAR"), in conjunction with CSIRO were engaged to investigate the geometallurgy, gold paragenesis and gold deportment within the deposits of the Central Tanami Mine Corridor.

Two parallel studies researched the paragenesis of refractory gold mineralisation and compared it to nearby areas without refractory mineralisation to better understand the metallurgical properties of the CTP deposits and develop a regional exploration model. Northern Star advised that the final CSIRO report and presentation was delivered during the final quarter of the financial year.

A summary of the findings are as follows:

- Some deposits in the Central Tanami Mine Corridor, Crusade, Bald Hill camp and at the Granites have a high component of refractory gold mineralisation. There is no obvious difference in the host rock type in these deposits, nor the dominant overprinting alteration style typified by quartz+Kspar-sericite-pyrite-carbonate assemblage with which free gold is present. There is no apparent geochemical relationship with which to characterise such material.

- Refractory mineralisation types are characterised by the presence of high potassium alteration and complex, zoned arsenic bearing sulphides that host fine grained gold.

- These ores lack a thermal metamorphic overprint imparted on them by late orogenic granite intrusions that are common in the district and synchronous with mineralisation.

- Thermal metamorphic overprints are associated with evidence of sulphide melting, liberation, and subsequent precipitation of course, nuggety gold and the presence of bismuth.

- Early characterisation of host rocks and the mineralisation style is important to define which prospects may have a refractory component.

- A deposit model should incorporate evidence of higher metamorphic grade (upper greenschist) and/or evidence of a thermal metamorphic overprint. This may decrease the chance of discovery a new deposit and then finding that it is refractory.

Stratigraphy/Geochemistry Project

In late 2020, Northern Star completed project work focussing on the geochemical and mineralogical classification of the Tanami Group sedimentary and volcanic rocks, their alteration and interpretation of their depositional environment. Sample sites chosen for the project included some areas outside of the CTP JV together with CTP JV sites including the Central Tanami Mine Corridor (Hurricane-Repulse, Jims) and the Groundrush Domain (Groundrush, Ripcord, Regional AC). The project was validated by baseline data generated from infield core logging and re-assay.

Given the scale and scope of the project, further analysis of the results and interpretation is required to also assist in determining how best to integrate these key findings into future exploration targeting.

Drill Hole Sampling

Northern Star advised that resampling of historical diamond core and reverse circulation ("RC") drill chips was undertaken during the year from Crusade (Suplejack), and regional drill holes from the Ripcord, Groundrush and Molech areas. This sampling program commenced in late-2020 and was designed to provide greater spatial coverage of geochemical data for validating key stratigraphic units across the region.

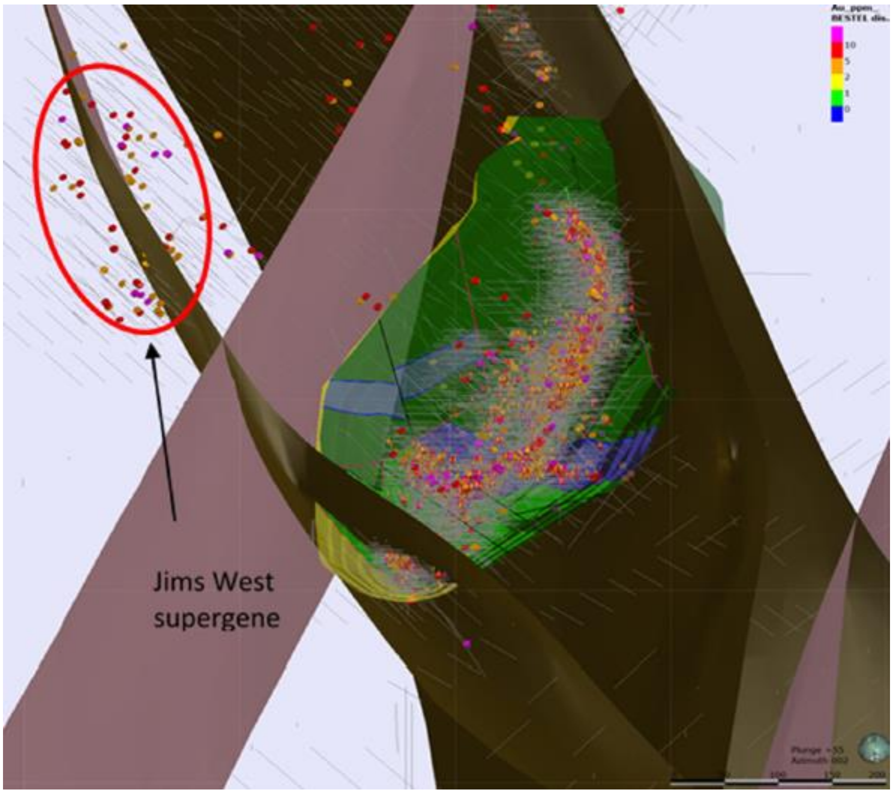
No material changes to the geological interpretation resulted from an initial review of the received multielement data. A complete review and interpretation of the multielement data will commence during the coming year.

Re-logging and re-assaying of historical drilling from Crusade (EL28282), Groundrush (ML22934) and Jims (MLS168) was also undertaken. 85 assays from 12 drill holes at Crusade and 7 assays from 2 drill holes from Jims were returned. Model interpretations were broadly confirmed from the relogging and re-assaying exercise.

Review Work – Jims Deposit

A review of the Jims deposit was completed during the year, incorporating Northern Star's 2018 exploration drilling beneath the main Jims open-pit and unmined supergene mineralisation immediately west of the pit. Preliminary assessment showed that further drill testing is required to confirm the potential for primary mineralisation below the supergene zone. In addition, further diamond drilling is planned to test the lateral and depth extensions of the mineralisation intersected below the main Jims open pit.

All four Jims diamond holes drilled by Northern Star in 2018 were re-logged to validate the geological interpretation and update the geological model for future drilling program design. Additional sampling was undertaken through the regolith zone due to an earlier review highlighting the presence of adjacent supergene mineralisation. A total of 109 additional samples were collected with all assays still pending.



Heritage and Environment

During the year, Northern Star engaged with the Central Land Council ("CLC") for the purpose of obtaining Sacred Site Clearances for exploration programs proposed for 2021.

Sacred Site Clearance approval was received from the CLC for the Cave Hill and regional exploration programs during the December 2020 and March 2021 quarters.

Rehabilitation reviews of recent tracks and air core drill pads were completed and signed off for the Cave Hill tenement EL22378 during the June 2021 quarter.

Financial Overview

The Consolidated Entity generated a total comprehensive loss for the financial year ended 30 June 2021 of $2.491 million (2020: $0.849 million).

Business Strategies and Prospects

The Board will provide oversight and support to the newly formed CTP Joint Venture in accordance with the Agreement between Tanami and Northern Star.

Risks

Whilst the Board believes the CTP is likely to be returned to commercial production, there are risks and uncertainties. These include, but are not limited to, the gold price and a risk that CTP exploration activities being undertaken do not produce a commercial outcome.

Environmental risks are noted in Section 6 below and financial risks are set out in note 16 of the consolidated financial statements.

Community Relations

The Company recognises the importance of establishing relationships with the Traditional Owners that are based on trust and mutual advantage and are respectful of the needs and concerns of the communities located within the regions in which it operates. The Company has agreements in place with the Traditional Owners through the CLC and is committed to building strong relationships by:

- Being open and transparent in its communications;
- Improving cross-cultural awareness through training and education;
- Developing community relations management procedures that include business alliances;
- Being sensitive to the values and heritage issues of the local communities; and
- Being a good neighbour.

With the Completion of the Agreement for the CTP Joint Venture, communication with the CLC will be jointly managed by both Tanami and Northern Star through the newly formed Joint Venture Management Company.

6. Environmental Regulation

The environment is a key aspect of mining activities.

The Consolidated Entity's operations are subject to environmental regulations under Commonwealth and State legislation. The Directors believe that the Consolidated Entity has had adequate arrangements in place for the management of the requirements under those regulations and are not aware of any breach of such requirements as they apply to the Consolidated Entity.

The Consolidated Entity has environmental performance bonds lodged with Newmont Australia Limited and the Department of Resources (NT) to support its rehabilitation obligations at the Central Tanami Project.

7. Significant Changes in the Company's State of Affairs

Significant changes to the Company's State of Affairs have been set out in the Operating and Financial Review above and in the Events Subsequent to Reporting Date below.

8. Dividends

The Directors have not recommended the declaration of a dividend. No dividends were paid or declared during the year.

9. Events Subsequent to Reporting Date

Completion of the new 50/50 Joint Venture covering the CTP Joint Venture occurred on 15 September 2021 following the transfer of a 10% Joint Venture interest by Tanami to Northern Star for a $15 million cash payment to Tanami. A Joint Venture Management Company has been registered, through which both Tanami and Northern Star will jointly fund all exploration and development activities for the CTP Joint Venture. The previous Head of Agreement was cancelled upon completion of the CTP JV.

10. Likely Developments

As announced on 16 September 2021, Completion of the Agreement with Northern Star and its wholly owned subsidiary Northern Star (Tanami) Pty Ltd to establish the CTP Joint Venture has occurred. The Company expects the CTP Joint Venture will continue with exploration and drilling at the CTP with the express purpose of commencing mining of the Groundrush deposit as soon as practicable commensurate with good mining practice.

11. Directors' Interests

The relevant interest of each Director in shares and options of the Company, as notified by the Directors to the Australian Securities Exchange in accordance with section S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Directors	Fully paid ordinary shares	Unquoted options
Mr A Dew	-	-
Mr G McMahon	2,500,000	-
Mr C Procter	-	-
Mr B Montgomery	15,000,000	-
Mr B Smith	100,000	-
Mr M Wong	-	-
Mr N Edwards	-	-

12. Share Options

Options granted to Directors and Executives of the Company

During or since the end of the financial year, the Company has not granted any options over unissued ordinary shares in the Company to any of the Directors and Executives as part of their remuneration.

Unissued shares under option

At the date of this report, there were no unissued ordinary shares in the Company.

During the year, there were no options forfeited due to performance criteria not being achieved or cessation of employment.

Shares issued

Since the end of the financial year, there were no shares issued.

Shares issued on exercise of options

During the financial year, no shares were issued by the Company as a result of the exercise of options.

13. Remuneration Report – audited

Remuneration is referred to as compensation throughout this report.

Key management personnel ("KMP") have authority and responsibility for planning, directing, and controlling the activities of the Company and the Consolidated Entity. KMP comprise the Directors and Executives of the Company and the Consolidated Entity.

Compensation levels for KMP of the Company and Consolidated Entity are competitively set to attract and retain appropriately qualified and experienced Directors and Executives. The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and to achieve the broader outcome of creation of value for shareholders. Compensation packages may include a mix of fixed compensation and equity-based compensation as well as employer contributions to superannuation funds.

Shares and options may only be issued to Director's subject to approval by shareholders in a general meeting.

The Board has no established retirement or redundancy schemes.

13.1.1 Fixed Compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation funds.

Compensation levels are reviewed regularly through a process that considers individual performance and the overall performance of the Consolidated Entity.

13.1.2 Performance-linked Compensation (short-term incentive bonus)

The Company has not paid any performance linked short-term incentives to KMP during the financial year ended 30 June 2021 (2020: nil).

13.1.3 Equity-based Compensation (long-term incentive bonus)

The Remuneration and Nomination Committee may use equity-based long-term incentives ("LTI") where appropriate to promote continuity of employment and to provide additional incentive to increase shareholder wealth. LTI's can include options over ordinary shares of the Company, with various exercise dates, to KMP based on their level of seniority and position within the Company.

LTI's shall be in such form and content and with such terms and conditions as the Board determines, including exercise price, vesting conditions, disposal conditions and terms of expiry.

If the option holder ceases to be a KMP of the Company during the vesting period for any reason, the options will expire six months after cessation (subject to the exercise of discretion by the Board) and cease to carry any rights or benefits unless otherwise approved by the Remuneration and Nomination Committee.

There are no voting or dividend rights attached to the options. Voting rights will be attached to the ordinary issued shares when the options have been exercised.

There were no LTI's granted during the year and there were no LTI's in existence during or at the end of the financial year.

13. Remuneration Report – audited (continued)

13.1.4 Consequences of Performance on Shareholder Wealth

The Company continues to focus on enhancing shareholder value through its recently announced Agreement with Northern Star to establish the CTP JV. To assist shareholders in assessing the Consolidated Entity's performance and benefits for shareholder wealth, the Company reports the following data for the current financial year and the previous five financial years:

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
(Loss)/profit attributable to owners of the Company	(1,332)	193	17,181	12,411	(4,699)
Dividends paid	-	-	-	-	-
Share price at 30 June	$0.069	$0.062	$0.045	$0.036	$0.051

13.1.5 Service Contracts

Compensation and other terms of employment for KMP are formalised in contracts of employment. The major provisions of the agreements relating to compensation are set out below.

Mr Daniel Broughton – Chief Financial Officer

Mr Broughton is employed on a contract basis as Chief Financial Officer. The arrangement can be terminated by either party without notice and without a termination payment. Mr Broughton has been Chief Financial Officer since 8 September 2014.

No remuneration consultants were engaged by the Company during the year.

13.2 Non-Executive Directors

Non-Executive Directors do not receive performance related compensation. Directors' fees cover all main board activities and membership of any committee. The Board has not established retirement or redundancy schemes in relation to Non-Executive Directors. Non-Executive Director, Mr Brett Montgomery, continues to have a significantly expanded role in the day-to-day running of the Company.

13.3 Directors' and Executive Officers' remuneration

Details of the nature and amounts of each major element of the remuneration of each Director of the Company and each of the named officers of the Company and the Consolidated Entity:

2021	Short-term	Post-employment		
	Salary & Fees	Superannuation	Total Remuneration	Proportion of Remuneration Performance Related
	$	$	$	%
Directors - Non-executive				
Mr A Dew	25,000	2,375	27,375	-
Mr G McMahon	40,000	3,800	43,800	-
Mr C Procter	40,000	3,800	43,800	-
Mr B Montgomery	120,000	-	120,000	-
Mr B Smith	40,000	3,800	43,800	-
Mr N Edwards	3,641	346	3,987	-
Executives				
Mr D Broughton	99,000	-	99,000	-
Total	367,641	14,121	381,762	-

13. Remuneration Report – audited (continued)

2020	Short-term	Post-employment		
	Salary & Fees	Superannuation	Total Remuneration	Proportion of Remuneration Performance Related
	$	$	$	%
Directors - Non-executive				
Mr G McMahon	40,000	3,800	43,800	-
Mr A Dew	25,000	2,375	27,375	-
Mr C Procter	40,000	3,800	43,800	-
Mr B Montgomery	120,000	-	120,000	-
Mr B Smith	20,000	1,900	21,900	-
Executives				
Mr D Broughton	99,000	-	99,000	-
Total	344,000	11,875	355,875	-

13.4 Equity instruments

13.4.1 Options over equity instruments granted as compensation

No options over ordinary shares in the Company were granted as compensation to KMP during the reporting period and no options vested during the reporting period.

13.4.2 Modifications of terms of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to KMP) have been altered or modified by the issuing entity during the reporting period or the prior period.

13.4.3 Exercise of options granted as compensation

During the financial year, no shares were issued on the exercise of options previously granted as compensation to KMP.

13.4.4 Analysis of options and rights over equity instruments granted as compensation

No options have been issued, granted, or will vest to KMP of the Company.

13.4.5 Analysis of movements in options and rights

There were no options granted during the financial years' ended 30 June 2021 and 30 June 2020 to KMP.

13.4.6 Shareholdings of Directors and Executives

Ordinary Fully Paid Shares	Balance 1 July 2020	Granted as Remuneration	On Market Purchases / (Sales)	Balance 30 June 2021
Directors - Non-executive				
Mr A Dew	-	-	-	-
Mr G McMahon	2,500,000	-	-	2,500,000
Mr C Proctor	-	-	-	-
Mr B Montgomery [1]	20,000,000	-	(5,000,000)	15,000,000
Mr B Smith	100,000	-	-	100,000
Mr N Edwards	-	-	-	-
Executives				
Mr D Broughton	-	-	-	-
Total	22,600,000	-	(5,000,000)	17,600,000

[1] On 2 September 2020, Mr Brett Montgomery sold 5,000,000 Tanami shares.

13. Remuneration Report – audited (continued)

13.4.7 Options of Directors and Executives

No options were issued during the 2021 financial year (2020: nil).

This is the end of the audited information.

14. Non-Audit Services

During the year, KPMG, the Consolidated Entity's auditor, did not perform any other services in addition to their statutory duties.

The Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

a. Non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Audit Committee to ensure they do not impact the integrity and objectivity of the auditor.

b. Ensuring non-audit services do not involve the auditors reviewing or auditing their own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Amounts paid or payable to the auditor of the Company, KPMG, and its related practices for audit services during the year was $53,236 (2020: $48,335).

15. Indemnification and Insurance of Officers

Indemnification

The Company has agreed to indemnify both the current directors of the Company and former directors against liability incurred to a third party (not being the Company or any related company) that may arise from their positions as directors or officers of the Company and its controlled entities, unless the liability arises out of conduct involving a lack of good faith.

The Company has also agreed to cover the costs and expenses incurred in successfully defending civil or criminal proceedings, or in connection with a successful application for relief under the Corporations Act 2001. The Company also provides indemnity against costs and expenses in connection with an application where a court grants relief to a director or officer under the Corporations Act 2001.

Insurance Premiums

The Company has paid insurance premiums in respect of directors' and officers' liability insurance, for the directors of the controlled entity. In accordance with subsection 300(9) of the Corporations Act 2001, further details have not been disclosed due to confidentiality provisions of the insurance contracts.

16. Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 15 and forms part of the directors' report for the financial year ended 30 June 2021.

17. Rounding off

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) and where noted ($'000) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors Report) Instrument 2016/191. The Company is an entity to which the instrument applies.

Dated at Perth, Western Australia this 23rd day of September 2021.

Signed in accordance with a resolution of the Directors.

Arthur Dew
Non-Executive Chairman
Perth, Western Australia

23 September 2021

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Tanami Gold NL

I declare that, to the best of my knowledge and belief, in relation to the audit of Tanami Gold NL for the financial year ended 30 June 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Graham Hogg
Partner
Perth
23 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $'000	2020 $'000
Continuing operations			
Other income	5	115	38
Corporate and other expenses	5	(1,100)	(854)
Results from operating activities		(985)	(816)
Financial income		150	500
Net finance income		150	500
Loss before income tax		(835)	(316)
Income tax (expense)/benefit	6	(497)	509
(Loss)/profit from operations		(1,332)	193
(Loss)/profit for the year		(1,332)	193
Discontinued operations			
Profit from discontinued operations		-	-
(Loss)/profit for the year after tax		(1,332)	193
Other comprehensive income (OCI)			
Items that may be reclassified subsequently to profit or loss:			
Net loss on financial assets at fair value through OCI (net of tax)		(1,159)	(1,042)
Other comprehensive loss for the year (net of income tax)		(1,159)	(1,042)
Total comprehensive loss for the year attributable to owners of the Company		(2,491)	(849)
Basic and diluted (loss)/earnings per share from continuing operations			
Basic and diluted (loss)/profit per share (cents per share)	7	(0.113)	0.016

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2021

		2021	2020
Assets	**Note**	**$'000**	**$'000**
Current assets			
Cash and cash equivalents	8	28,318	28,945
Other receivables		26	63
Financial assets at fair value through OCI	9	4,890	6,630
Assets classified as held for sale	10	2,085	-
Total current assets		35,319	35,638
Non-current assets			
Other receivables	11	2,513	2,513
Property, plant, and equipment		423	438
Right of use assets		32	60
Acquired exploration and evaluation	12	10,359	12,431
Total non-current assets		13,327	15,442
Total assets		48,646	51,080
Liabilities			
Current liabilities			
Trade and other payables		144	68
Lease liability		13	13
Total current liabilities		157	81
Non-current liabilities			
Lease liability		29	48
Provisions	13	1,663	1,663
Total non-current liabilities		1,692	1,711
Total liabilities		1,849	1,792
Net assets		**46,797**	**49,288**
Equity			
Issued capital	14	317,637	317,637
Accumulated losses		(271,338)	(270,650)
Reserves	15	498	2,301
Total equity attributable to equity holders of the Company		**46,797**	**49,288**

The consolidated statement of financial position is to be read in conjunction with the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Issued Capital $'000	Accumulated Losses $'000	Financial Assets Fair Value Reserve $'000	Total $'000
Balance at 1 July 2019	317,637	(273,074)	3,343	47,906
Profit for the period	-	193	-	193
Reclassify OCI to retained earnings on sale of shares	-	2,231	(2,231)	-
Net change in fair value of financial assets through OCI	-	-	1,189	1,189
Total comprehensive profit for the period	-	2,424	(1,042)	1,382
Balance at 30 June 2020	**317,637**	**(270,650)**	**2,301**	**49,288**
Balance at 1 July 2020	317,637	(270,650)	2,301	49,288
Loss for the period	-	(1,332)	-	(1,332)
Reclassify OCI to retained earnings on sale of shares	-	644	(644)	-
Net change in fair value of financial assets through OCI	-	-	(1,159)	(1,159)
Total comprehensive profit for the period	-	(688)	(1,803)	(2,491)
Balance at 30 June 2021	**317,637**	**(271,338)**	**498**	**46,797**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Cash payments in the course of operations		(994)	(874)
Interest received		193	541
Net cash used by operating activities	8	(801)	(333)
Cash flows from investing activities			
Proceeds from sale of financial assets		2,774	4,242
Purchase of financial assets		(2,691)	(3,349)
Dividends received		91	38
Net cash from investing activities		174	931
Cash flows from financing activities			
Net cash (used)/provided from financing activities		-	-
Net increase in cash and cash equivalents held		(627)	598
Cash and cash equivalents at beginning of the financial year		28,945	28,347
Cash and cash equivalents at the end of the financial year	8	28,318	28,945

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

BASIS OF PREPARATION

This section of the financial report sets out the Group's (being the Company and its subsidiaries) accounting policies that relate to the consolidated financial statements. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

The notes include information which is required to understand the consolidated financial statements and is material and relevant to the financial position and performance of the Group. Information is considered relevant and material if:

- the amount is significant due to its size or nature;
- the amount is important in understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business; and
- it relates to an aspect of the Group's operations that is important to its future performance.

1. CORPORATE INFORMATION

The financial report of the Company for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 23 September 2021. The Board of Directors has the power to amend the consolidated financial statements after issue.

The Company is a for-profit company limited by shares whose shares are publicly traded on the Australian Securities Exchange. The Company and its subsidiaries are incorporated and domiciled in Australia. The registered office and principal place of business of the Company is Unit 2, Level 2, 39 Mends Street, South Perth, Western Australia 6151.

The nature of the operations and principal activities of the Company are disclosed in the directors' report.

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Instrument 2016/191. The Company is an entity to which this Instrument applies.

2. REPORTING ENTITY

The consolidated financial statements are for the Group, a list of the Group's subsidiaries is provided in note 17.

3. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The consolidated financial statements of Tanami Gold NL also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are required to be measured at fair value.

a) Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

b) Functional and presentation currency

Both the functional and presentation currency of Tanami is Australian Dollars. Each entity in the Group determines its own functional currency and items included in the Financial Statements of each entity are measured using that currency.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

c) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

PERFORMANCE FOR THE YEAR

This section provides additional information about those individual line items in the consolidated statement of comprehensive income that the Directors consider most relevant in the context on the operations of the entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

4. SEGMENT INFORMATION

Identification of reportable segments

Management has determined the operating segments based on the reports reviewed and used by the Board of Directors (the chief operating decision maker) that are used to make strategic decisions.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- external regulatory requirements
- geographical and geological styles

Operations

The Consolidated Entity operates predominantly in the gold exploration industry.

Accounting policies developed

Unless stated otherwise, all amounts reported to the Board of Directors as chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the consolidated financial statements of the Group.

Information about reportable segments

	Exploration		Total	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Revenues	-	-	-	-
Depreciation and amortisation	-	-	-	-
Reportable segment loss before income tax	115	38	115	38
Reportable segment other income	115	38	115	38
Reportable segment assets	20,270	22,012	20,270	22,012
Reportable segment liabilities	1,663	1,663	1,663	1,663

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items:

	2021	2020
	$'000	$'000
Revenue and other income		
Total revenue and other income for reportable segments	115	38
Consolidated revenue and other income	115	38
Profit or loss		
Total profit for reportable segments	115	38
Unallocated amounts: other corporate expenses	(950)	(354)
Consolidated loss before income tax	(835)	(316)
Assets		
Total assets for reportable segments	20,270	22,012
Other unallocated amounts	28,376	29,068
Consolidated total assets	48,646	51,080
Liabilities		
Total liabilities for reportable segments	1,663	1,663
Other unallocated amounts	186	129
Consolidated total liabilities	1,849	1,792

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

5. REVENUE & EXPENSES

	2021 $'000	2020 $'000
Continuing operations		
Dividends	91	38
Other income	24	-
	115	38

During the year, the Company received $0.091 million from dividends on its Northern Star shares. Other income represents amounts reimbursed by the Australian Tax Office.

	2021 $'000	2020 $'000
Corporate and other expenses		
Consulting fees	346	266
Directors' fees	283	257
Insurance and legal fees	41	38
Legal fees	203	32
Statutory and compliance costs	80	86
Rent and outgoings	9	33
Financial services	80	99
Depreciation PPE	3	5
Amortisation right of use assets	28	8
Other	27	30
	1,100	854

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

6. TAXATION

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the consolidated financial statements as follows:

	2021 $'000	2020 $'000
Income statement		
Relating to origination and reversal of temporary differences	(1,643)	1,248
Deferred tax assets not recognised(recognised) in the current period	2,140	(1,757)
Income tax benefit reported in income statement	497	(509)
The components of recognised deferred tax balance are as follows:		
CONSOLIDATED		
Exploration	3,108	3,729
Accrued income	2	14
Right of use asset	10	-
Investments	838	1,832
Deferred tax asset offset against deferred tax liability	(3,958)	(5,575)
Gross deferred income tax liabilities	-	-
Reconciliation to income tax expense/(benefit) on account profit/(loss)		
Profit/(loss) before income tax	(835)	(316)
Prima facie tax (receivable)/payable at the statutory income tax rate	(251)	(95)
Tax loss on disposal of assets	277	956
Non-taxable franked dividend	(27)	(11)
Prior period adjustment	26	-
Deferred tax assets not recognised	(1,391)	1,355
Deferred tax assets not previously recognised	2,140	(1,757)
Tax losses recouped not previously booked	(277)	(956)
Income tax benefit	497	(509)
Deferred tax asset (30%) not recognised arising on:		
Income losses	65,832	63,913
Capital losses	2,139	2,415
	67,971	66,328

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

In determining the amount of current and deferred tax, the Consolidated Entity considers the impact of uncertain tax positions and whether additional taxes and interest may be due. The Consolidated Entity believes its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Consolidated Entity to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

6. TAXATION (Continued)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Tax Consolidation

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2002 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Tanami Gold NL.

Goods and services tax ('GST')

Revenues, expenses, and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

7. EARNINGS PER SHARE

Basic and diluted (loss)/earnings per share

The calculation of basic and diluted (loss)/earnings per share at 30 June 2021 was based on the loss attributable to ordinary shareholders of $1.332 million (2020: profit $0.193 million) and a weighted average number of ordinary shares outstanding of 1,175,097,046 (2020: 1,175,097,046).

The Consolidated Entity presents basic and diluted earnings per share data for its ordinary shares. Basic and diluted earnings per share is calculated by dividing the (loss)/profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for shares held by the Company's sponsored employee share plan trust, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

ASSETS

This section provides additional information about those individual line items in the consolidated statement of financial position that the Directors consider most relevant in the context of the operations of the entity.

8. CASH AND CASH EQUIVALENTS

	2021 $'000	2020 $'000
Cash and cash equivalents	28,318	28,945
	28,318	28,945

The Consolidated Entity's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 16.

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

8. CASH AND CASH EQUIVALENTS (Continued)

Cash as at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to the related items in the consolidated statement of financial position as follows:

	2021 $'000	2020 $'000
Net (loss)/profit	(1,332)	193
Add/(less) non-cash items		
Income tax benefit	497	(509)
Depreciation of property, plant, and equipment	3	5
Amortisation of right of use assets	28	8
Add/(less) items classified as investing/financing activities		
Dividends received	(91)	(38)
Net cash used by operating activities before changes in assets and liabilities	(895)	(349)
Changes in assets and liabilities during the financial year:		
Decrease in receivables	37	36
(Decrease)/increase in trade and other payables	57	(20)
Net cash flows used by operating activities	(801)	(333)

9. FINANCIAL ASSETS

	2021 $'000	2020 $'000
Quoted equity shares	4,890	6,630
	4,890	6,630

During the year ended 30 June 2021, the Group sold 175,000 shares in Northern Star for $2.774 million and purchased 175,000 shares in Northern Star for $2.691 million. At 30 June 2021, the Company has a remaining investment of 500,000 listed equity shares in Northern Star. After initial recognition, these shares are measured at fair value being the published price quotation in an active market. Changes therein are recognised in Other Comprehensive Income (“OCI”) (unless it represents impairment) and presented as an unrealised gain/(loss) reserve in equity. The fair value movement in the asset during the period was a loss of $1.159 million after recognition of deferred tax which has been recognised as the net change in the fair value of financial assets in OCI. A corresponding $0.497 million deferred tax asset was recognised and then expensed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as recovery was not probable.

Financial assets are non-derivative financial assets that are classified as fair value through OCI. Financial assets are recognised initially at fair value plus any directly attributable transaction costs. After initial recognition, financial assets are measured at fair value and changes therein, other than impairment losses, are recognised in OCI and presented in the financial assets fair value reserve in equity. When an investment is derecognised, the cumulative net change in fair value of the financial asset through OCI is reclassified to retained earnings.

Financial assets comprise equity securities. The fair value of investments in quoted equity securities is determined by reference to their quoted closing bid price at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

10. ASSETS CLASSIFIED AS HELD FOR SALE

On 10 May 2021, the Company entered into a binding agreement (“Agreement”) with Northern Star and its wholly owned subsidiary Northern Star (Tanami) Pty Ltd to establish a new 50/50 joint venture covering the CTP Joint Venture (“CTP”). Under the Agreement, Northern Star acquired a further 10% of the CTP for $15 million cash (“Transaction”). The Transaction was subject to conditions and limited warranties that are customary and appropriate for transactions of this nature.

As at 30 June 2021, the CTP assets subject to the Agreement were available for immediate sale and the sale was considered highly probable within a 12-month period. The assets and liabilities were consequently presented as held for sale.

Assets and liabilities are remeasured at the lower of their carrying value and fair value less costs to sell. Any cumulative impairment losses recognised previously in accordance with IAS 36 Impairment of Assets should be reversed and allocated against the carrying value of each asset classified as held for sale. Any excess of carrying value over fair value less cost to sell should be recognised as an impairment. Once classified as held-for-sale, exploration and evaluation and property, plant, and equipment are no longer amortised or depreciated.

	2021 $'000	2020 $'000
Assets held for sale	2,085	-

Disposal Group comprising 10% of the CTP carrying value	**Carrying Value 60%**	**Less AHFS 10%**	**Carrying Value 50%**
Exploration and evaluation asset	12,431	2,072	10,359
Property, plant, and equipment	438	13	425
	12,869	2,085	10,784

11. OTHER RECEIVABLES

	2021 $'000	2020 $'000
Non-current		
Other debtors	2,513	2,513
	2,513	2,513

Non-current other debtors represent term deposits placed in support of environmental performance bonds lodged with Newmont Australia Limited $0.850 million (2020: $0.850 million) and the Department of Resources (NT) $1.663 million (2020: $1.663 million).

Other receivables are initially recorded at the amount of proceeds due and are subsequently measured at amortised cost.

All trade receivables are due and payable within 30 days.

12. ACQUIRED EXPLORATION AND EVALUATION EXPENDITURE

	2021 $'000	2020 $'000
Carrying amount at beginning of period	12,431	12,431
Reclassify 10% interest in CTP as held for sale	(2,072)	-
	10,359	12,431

The remaining acquired exploration and evaluation costs carried forward in respect of areas of interest represents the purchase price for CTP. Acquisition costs and acquired exploration and evaluation expenditure which are acquired are capitalised, until such times as an impairment is considered (see note 24 (ii)).

Pre-licence costs are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation expenditure incurred on licenses where the technical feasibility and commercial viability of extracting mineral resources has not yet been established is expensed as incurred. The Directors of the Company generally consider a project to be economically viable on the satisfactory completion of a feasibility study and a JORC reserve estimate.

Exploration and evaluation expenditure incudes the costs of acquiring and maintaining the rights to explore, investigate, examine, and evaluate an area of mineralisation, and assessing the technical feasibility and commercial viability of extracting the mineral resources from that area.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

LIABILITIES AND EQUITY

This section provides additional information about those individual line items in the consolidated statement of financial position that the Directors consider most relevant in the context of the operations of the entity.

13. PROVISIONS

	2021 $'000	2020 $'000
Reconciliation of site and mine restoration		
Opening balance 1 July 2020	1,663	1,663
Reassessment of provision	-	-
Balance at 30 June 2021	1,663	1,663

Site and mine restoration

A provision is recognised if, as a result of a past event, the Consolidated Entity has a present legal or constructive obligation that can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

A provision is made for the estimated cost of rehabilitation relating to areas disturbed during the mine's operation up to reporting date but not yet rehabilitated. Provision has been made in full for all disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of re-contouring, topsoiling and revegetation, employing legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

Uncertainty exists as to the amount of rehabilitation obligations which will be incurred due to the impact of changes in environmental legislation. The amount of the provision relating to rehabilitation of mine infrastructure and dismantling obligations is recognised at the commencement of the mining project and/or construction of the assets where a legal or constructive obligation exists at that time. The provision is recognised as a non-current liability with a corresponding asset included in property, plant, and equipment.

At each reporting date the rehabilitation liability is re-measured in line with changes in discount rates and timing or amount of costs to be incurred. Changes in the liability relating to rehabilitation of mine infrastructure and dismantling obligations are added to or deducted from the related asset, other than the unwinding of the discount which is recognised as finance costs in profit or loss as it occurs.

If the change in liability results in a decrease in the liability that exceeds the carrying amount of the asset, the asset is written down to nil and the excess is recognised immediately in the income statement. If the change in the liability results in an addition to the cost of the asset, the recoverability of the new carrying amount is considered. Where there is an indication that the new carrying amount is not fully recoverable, an impairment test is performed with the write-down recognised in profit or loss in the period in which it occurs.

14. ISSUED CAPITAL AND MANAGEMENT

	2021 $'000	2020 $'000
Share capital		
1,175,097,046 (2020: 1,175,097,046) ordinary shares, fully paid	317,637	317,637
Movements in issued capital		
Balance at 1 July 2020	317,637	317,637
Balance at 30 June 2021	317,637	317,637

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year. The capital structure of the Group consists of cash and cash equivalents, debt, and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings. None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends, and general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

15. RESERVES

Financial assets fair value reserve records movements in the fair value of financial assets. The balance as at 30 June 2021 was $0.498 million (2020: $2.301 million).

FINANCIAL INSTRUMENTS

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

16. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

The Group's principal financial instruments comprise cash, receivables, and payables.

The Group monitors and manages its exposure to key financial risks in accordance with the Group's financial management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The main risks arising from the Group's financial instruments are interest risk, credit risk, commodity risk, equity risk and liquidity risk. The Group does not enter into, or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Credit Risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Consolidated Entity is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Presently, the Consolidated Entity undertakes exploration and evaluation activities exclusively in Australia. At the balance sheet date, the Company's term deposits were held with a reputable Australian financial institution.

Cash and cash equivalents

The Consolidated Entity limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

Other receivables

Non-current other receivables includes term deposits place in support of environmental performance bonds lodged with Newmont Australia Limited and the Department of Resources (NT). Management does not consider either of these amounts to be subject to credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as and when they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

The Consolidated Entity manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

The Group had trade and other payables as at 30 June 2021 of $0.144 million (2020: $0.068 million) due within 6 months. The carrying amount of the trade and other payables equalled their contractual cash flows due to the short-term nature.

(c) Interest Rate Risk

The Consolidated Entity is exposed to interest rate risk on its cash and cash equivalents, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rate on interest-bearing financial instruments. The Consolidated Entity does not use derivatives to mitigate these exposures.

	2021 $'000	**2020 $'000**
Variable rate instruments		
Cash and cash equivalents	28,318	28,945
Current other receivables	26	63
Non-current other receivables	2,513	2,513
	30,857	31,521

Non-current other debtors represent term deposits placed in support of environmental performance bonds lodged with Newmont Australia Limited of $0.850 million (2020: $0.850 million) and the Department of Resources (NT) $1.663 million (2020: $1.663 million).

Other receivables are initially recorded at the amount of proceeds due and are subsequently measured at amortised cost.

All trade and other receivables and other debtors are due and payable within 30 days.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Fair value sensitivity analysis for fixed instruments

The Consolidated Entity does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by + / - $0.309 million (2020: + / - $0.315 million). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2020.

(d) Fair Value

Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

Consolidated	**30-Jun-21**		**30-Jun-20**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$'000	**$'000**	**$'000**	**$'000**
Cash and cash equivalents	28,318	28,318	28,945	28,945
Financial assets	4,890	4,890	6,630	6,630
Other receivables	2,539	2,539	2,576	2,576
Trade and other payables	(144)	(144)	(68)	(68)

(e) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For years ending 30 June 2021 and 30 June 2020 financial assets were valued using level 1 methods.

(f) Commodity Price Risk

The Consolidated Entity is a gold exploration company which has an indirect exposure to the gold price.

(g) Equity Risk

The Consolidated Entity is exposed to equity price risk, which arises from the remaining 500,000 (2020: 500,000) Northern Star shares.

These shares are listed on the ASX and classified as Financial Assets with which are initially recognised at fair value plus any directly attributable transaction costs. After initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and presented in the financial assets fair value reserve in equity. When an investment is derecognised, the cumulative gain or loss in equity is reclassified to retained earnings. A 10% movement in the 30 June 2021 share price would result in an +/- $0.484 million (2020: +/- $0.668 million) movement in the value of the financial assets.

GROUP COMPOSITION

This section of the notes includes information that must be disclosed to comply with accounting standards and other pronouncements relating to the structure of the Group, but that is not immediately related to individual line items in the consolidated financial statements.

17. LIST OF SUBSIDIARIES

Tanami (NT) Pty Ltd is a wholly owned subsidiary of Tanami Gold NL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

18. PARENT ENTITY INFORMATION

As at, and throughout, the financial year ended 30 June 2021 the parent company of the Consolidated Entity was Tanami Gold NL.

	2021 $'000	2020 $'000
Parent Entity		
Result of the parent entity		
Profit for the year	770	259
Total comprehensive profit for the year	770	259
Financial position of the parent entity at year end		
Current assets	30,734	31,560
Total assets	30,767	31,620
Current liabilities	142	68
Total liabilities	12,535	11,695
Total equity of the parent entity comprising of:		
Issued capital	317,637	317,637
Accumulated losses	(298,661)	(298,202)
	18,976	19,429

OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with accounting standards and other pronouncements, but that is not immediately related to individual line items in the consolidated financial statements.

The Company has no material guarantees, contingent liabilities or contractual commitments.

19. CONTINGENT LIABILITIES

The Group has no contingent liabilities as at 30 June 2021 (2020: nil).

20. REMUNERATION OF AUDITORS

	2021 $	2020 $
Audit services		
Amounts paid, or due and payable, to the auditor KPMG for:		
Audit and review of the consolidated financial statements	53,236	48,335

21. RELATED PARTY TRANSACTIONS

Other transactions with the Company or its controlled entities

Specified Directors hold positions in other entities that resulted in them having control or significant influence over the financial or operating policies of those entities. These entities transacted with the Company or its subsidiaries during the financial year, including consulting fees of $127,223 (2020: $118,569) and lease charges of $8,865 (2020: $58,709). The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

22. KEY MANAGEMENT PERSONNEL

Specified Directors

Arthur Dew (Non-Executive Chairman)	appointed December 2011
Gerard McMahon (Non-Executive Director)	appointed April 2013
Carlisle Procter (Non-Executive Director)	appointed December 2011
Brett Montgomery (Non-Executive Director)	appointed February 2013
Brett Smith (Non-Executive Director)	appointed November 2018
Neale Edwards (Non-Executive Director)	appointed May 2021

Specified Executives

Daniel Broughton (Chief Financial Officer)	appointed 8 September 2014

The key management personnel compensation included in 'Corporate and Other Expenses" is as follows:

	2021	2020
	$	$
Short-term employee benefits	367,641	344,000
Post-employment benefits	14,121	11,875
	381,762	355,875

23. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 10 May 2021, the Company entered into a binding Agreement with Northern Star and its wholly owned subsidiary Northern Star (Tanami) Pty Ltd to establish a new 50/50 Joint Venture covering the CTP Joint Venture.

Completion of the 50/50 Joint Venture covering the CTP Joint Venture occurred on 15 September 2021 following the transfer of a 10% Joint Venture interest by Tanami to Northern Star for a $15 million cash payment to Tanami. A Joint Venture Management Company has been registered, through which both Tanami and Northern Star will jointly fund all exploration and development activities for the CTP Joint Venture. The previous Head of Agreement was cancelled upon completion of the CTP Joint Venture.

ACCOUNTING POLICIES

This section of the notes includes information that must be disclosed to comply with accounting standards and other pronouncements, but that is not immediately related to individual line items in the consolidated financial statements.

24. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. However, actual outcomes would differ from these estimates if different assumptions were used, and different conditions existed.

The Group has identified the following areas where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods.

Accounting estimates and judgements

Management discussed with the Audit Committee the development, selection and disclosure of the Consolidated Entity's critical accounting policies and estimates and the application of these policies, estimates and judgements. The estimates and judgements that may have a significant impact on the carrying amount of assets and liabilities are discussed below.

(i) Mine rehabilitation and site restoration provision

Significant judgement is required in determining the provision for mine rehabilitation and site restoration as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites and related assets. Factors that will affect this liability include future development, changes in technology, price increases and changes in interest rates. When these factors change or become known in the future, such differences will impact the site restoration provision and asset in the period in which they change or become known.

(ii) Impairment of exploration and evaluation of assets, investment in subsidiary and loans to subsidiary

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in its subsidiaries and loans to its subsidiaries, is dependent on successful development and commercial exploitation or, alternatively, sale of the underlying mineral exploration properties.

The Consolidated Entity undertakes at least on an annual basis, a comprehensive review of indicators of impairment of these assets. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts where there are impairment indicators.

The key areas of estimation and judgement that are considered in this review include:

- recent drilling results and reserves and resource estimates;
- environmental issues that may impact the underlying tenements;
- the estimated market value of assets at the review date;
- independent valuation of underlying assets that may be available;
- fundamental economic factors such as the gold price, exchange rates and current and anticipated operating costs in the industry; and
- the Consolidated Entity's market capitalisation compared to its net assets.

Information used in the review process is tested against externally available information as appropriate.

25. CHANGES IN ACCOUNTING POLICIES

The Group has adopted all new and amended Accounting Standards and Interpretations issued by the International Accounting Standards Board that are relevant to the Group and effective as at 1 July 2020.

The adoptions of these new and amended Accounting Standards and Interpretations did not impact the accounting policies or the consolidated financial statements of the Group.

26. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(a) Reference to the Conceptual Framework – Amendments to IFRS 3 – Business Combinations (effective 1 January 2022)

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are intended to update a reference to the Conceptual Framework without significantly changing requirements of IFRS 3. The amendments will promote consistency in financial reporting and avoid potential confusion from having more than one version of the Conceptual Framework in use.

(b) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 (effective 1 January 2022)

The amendment prohibits entities from deducting from the cost of an item of property, plant, and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

(c) Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract (effective 1 January 2022)

The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions.

(d) AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter (effective 1 January 2022)

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

(e) AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

(f) Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (effective 1 January 2023)

The amendments clarify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or later.

(g) Amendments to IFRS 4, IFRS 16, IFRS 7, IFRS 9 and IAS 39 - Interest Rate Benchmark Reform – Phase 2

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate is replaced with an alternative nearly risk-free interest rate.

(h) Definition of Accounting Estimates - Amendments to IAS 8 (effective 1 January 2023)

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

(i) Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective 1 January 2023)

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2021

In accordance with a resolution of the Directors of Tanami Gold NL (the Company), I state that:

1. In the opinion of the Directors:

    a) the consolidated financial statements and notes and the Remuneration report set out in note 13 in the Directors' Report are in accordance with the Corporations Act 2001, including:

        i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

        ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

    b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 3

    c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2021.

On behalf of the board

Arthur Dew
Non-Executive Chairman
Perth, Western Australia

23 September 2021

KPMG

Independent Auditor's Report

To the shareholders of Tanami Gold NL

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Tanami Gold NL (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Group's*** financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2021;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.in our audit of the Financial Report of the current period.

Valuation of Exploration and Evaluation (E&E) Assets $10.359m

Refer to Note 12 and Note 24(ii) to the Financial Report

The key audit matter	How the matter was addressed in our audit
The valuation of E&E assets is a key audit matter due to: • The significance of the E&E balance (being approximately 21% of the Group's total assets); and • The greater level of audit effort to evaluate the Group's application of the industry specific accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources*, in particular the presence of impairment indicators. The presence of impairment indicators would require detailed analysis by the Group of the value of E&E. Therefore, given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed. In assessing the presence of impairment indicators, we focused on those indicators drawing into question the commercial continuation of E&E activities for areas of interest. In performing the impairment indicator assessments, we paid particular attention to: • The Group's compliance with key license conditions to maintain current rights to tenure for an area of interest and the Group's intention and capacity to continue the relevant E&E activities; • The ability of the Group to fund the continuation of activities for areas of interest; and • Results from latest activities regarding the existence or otherwise of economically recoverable reserves.	Our procedures included: • We evaluated the Group's accounting policy to recognise exploration and evaluation assets using the criteria in the accounting standard; • We assessed the Group's determination of its areas of interest for consistency with the definition in the accounting standard. This involved analysing the licenses in which the Group holds an interest and the exploration programs planned for those for consistency with documentation such as license related conditions, joint venture agreements, results of activity on the areas of interest, and planned work programs; • We assessed the Group's current right of tenure by comparing the ownership of the relevant license to government registries and agreements in place with other parties. We also assessed compliance with conditions, such as minimum expenditure requirements; • We evaluated Group documents and external reports, such as minutes of board meetings, joint venture agreements and public reports issued by the joint venture partner undertaking the studies, for consistency with the Group's stated intentions for continuing E&E in certain areas; • We obtained project and corporate budgets identifying areas with existing funding. We compared this for consistency with areas with E&E, for evidence of the ability to fund continued activities; • We analysed the Group's determination of recoupment through successful development and exploitation of the area or by its sale by evaluating the Group's documentation of planned future/continuing activities including work programmes and project and corporate budgets for the area; and • We evaluated the Group's assessment of the E&E assets classified as held for sale at year end against the requirements of AASB 5 Non-current Assets Held for Sale and Discontinued Operations and by inspecting underlying signed transaction agreements and evaluating the status of the disposal.

Other Information

Other Information is financial and non-financial information in Tanami Gold NL's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Tanami Gold NL for the year ended 30 June 2021, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 11 to 14 of the Directors' Report for the year ended 30 June 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Graham Hogg
Partner
Perth
23 September 2021

CORPORATE GOVERNANCE STATEMENT

The Board of Tanami Gold NL has adopted the spirit and intent of the 3rd Edition of the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council.

The Company's 2021 Corporate Governance Statement is available in the Corporate Governance section of the Company's website: http://www.tanami.com.au/company/corporate-governance.html.

This document is reviewed regularly to address any changes in governance practices and the law.

SHAREHOLDER AND ADDITIONAL INFORMATION
As at 21 September 2021

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 17 September 2021.

Issued Equity Capital

	Ordinary Shares	Options
Number of holders	4,378	Nil
Number on issue	1,175,097,046	Nil

Voting Rights

Voting rights, on a show of hands, are one vote for every registered holder of Ordinary Shares and on a poll, are one vote for each share held by registered holders of Ordinary Shares. Options do not carry any voting rights.

Distribution of Holdings of Equity Securities

Holding ranges	Number of Equity Security Holders	
	Total Holders	Units
1 – 1,000	1,583	538,674
1,001 – 5,000	950	2,276,884
5,001 – 10,000	344	2,677,948
10,001 – 100,000	997	38,724,237
100,001 and over	504	1,130,879,303
TOTAL	**4,378**	**1,175,097,046**

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel at 17 September 2021 is 2,651 shareholders holding a total of 3,541,148 shares.

Substantial Shareholders

	Number of Ordinary Shares	Percentage (%)
APAC RES MINING LTD	509,851,522	43.39%

On Market Buy Back

There is no current on-market buy-back.

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	APAC RES MINING LTD	509,851,522	43.39%
2	PERTH SELECT SEAFOODS PTY LTD	45,000,000	3.83%
3	SUN HUNG KAI INV SVCS LTD	36,169,922	3.08%
4	JEMAYA PTY LTD <JH FEATHERBY SUPER FUND A/C>	29,231,690	2.49%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	29,211,622	2.49%
6	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	18,141,810	1.54%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	18,022,203	1.53%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – GSCO ECA	16,239,068	1.38%
9	GERISE PTY LTD	15,000,000	1.28%
10	BLUEDALE PTY LTD <COMB SUPER FUND A/C>	11,000,000	0.94%
11	MR GEOFFREY DONALD COULTAS <THE COULTAS FAMILY A/C>Q	10,750,000	0.91%
12	MR A R JOHNSTON <ANDREW JOHNSTON SUPER A/C>	9,200,000	0.78%
13	YANDAL INVESTMENTS PTY LTD	8,250,001	0.70%
14	MAMMALIA LIMITED	7,151,251	0.61%
15	MR K H ALLISTER & MRS R M ALLISTER	7,000,000	0.60%
16	MR NOEL ROSS WHITEHEAD & MS JENNIFER HILDA SMITH <WHITEHEAD SMITH S/C A/C>	6,000,000	0.51%
17	CEN PTY LTD	5,600,000	0.48%
17	JEMAYA PTY LTD <THE FEATHERBY FAMILY A/C>	5,600,000	0.48%
18	SILTON PTY LTD <SILTON PTY LTD S/F A/C>	5,300,000	0.45%
19	MR L R AND MRS C A RICKARDS <RICKARDS SUPER A/C>	5,260,000	0.45%
20	BNP PARIBAS NOMS PTY LTD <DRP>	5,045,704	0.43%
	TOTAL	**803,024,793**	**68.34%**

TANAMI GOLD NL

SCHEDULE OF MINERAL TENEMENTS

As at 21 September 2021

Tenement	Name	Status	Interest [1]	Registered Holder
EL9843	Chapmans Hill	Granted	50%	Tanami (NT) Pty Ltd
EL10411	Tanami Downs North	Granted	50%	Tanami (NT) Pty Ltd
EL22061	Farrands Hill South	Granted	50%	Tanami (NT) Pty Ltd
EL22378	Question Mark Bore Far	Granted	50%	Tanami (NT) Pty Ltd
EL26925	Goanna 2	Granted	50%	Tanami (NT) Pty Ltd
EL26926	Black Hills 2	Granted	50%	Tanami (NT) Pty Ltd
EL28282	Suplejack	Granted	50%	Tanami (NT) Pty Ltd
EL28283	Goat Creek	Application	50%	Tanami (NT) Pty Ltd
EL28474	Rushmore	Granted	50%	Tanami (NT) Pty Ltd
ELA32149	Gamma East	Application	50%	Tanami (NT) Pty Ltd
ML22934	Groundrush	Granted	50%	Tanami (NT) Pty Ltd
MLS119	Reward	Granted	50%	Tanami (NT) Pty Ltd
MLS120	No.1 South	Granted	50%	Tanami (NT) Pty Ltd
MLS121	No.2 South	Granted	50%	Tanami (NT) Pty Ltd
MLS122	No.3 South	Granted	50%	Tanami (NT) Pty Ltd
MLS123	No.4 South	Granted	50%	Tanami (NT) Pty Ltd
MLS124	No.1 North	Granted	50%	Tanami (NT) Pty Ltd
MLS125	No.2 North	Granted	50%	Tanami (NT) Pty Ltd
MLS126	No.3 North	Granted	50%	Tanami (NT) Pty Ltd
MLS127	No.4 North	Granted	50%	Tanami (NT) Pty Ltd
MLS128	No.5 North	Granted	50%	Tanami (NT) Pty Ltd
MLS129	No.6 North	Granted	50%	Tanami (NT) Pty Ltd
MLS130	East Block	Granted	50%	Tanami (NT) Pty Ltd
MLS131	No. 5 South	Granted	50%	Tanami (NT) Pty Ltd
MLS132	No. 6 South	Granted	50%	Tanami (NT) Pty Ltd
MLS133	Southeast Block	Granted	50%	Tanami (NT) Pty Ltd
MLS153	Tanami Extended	Granted	50%	Tanami (NT) Pty Ltd
MLS167	Matilda	Granted	50%	Tanami (NT) Pty Ltd
MLS168	Enterprise	Granted	50%	Tanami (NT) Pty Ltd
MLS180	Molech	Granted	50%	Tanami (NT) Pty Ltd

[1]Percentage interest updated to reflect the Completion of the 50/50 joint venture covering the CTP JV on 15 September 2021.