

NTM GOLD LIMITED

ACN 119 494 772

**2020
NOTICE OF
ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT
AND
PROXY FORM**

TIME AT 11.00AM

DATE: 19TH OF NOVEMBER 2020

AT: THE CELTIC CLUB

48 ORD STREET

WEST PERTH WA 6005

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Secretary by telephone on (08) 9481 6666 or email at mmaine@ntmgold.com.au

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Business of the Meeting (setting out the proposed resolution)

Explanatory Statement (explaining the proposed resolutions)

Glossary

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the annual general meeting of the Shareholders to which this Notice of Meeting relates will be held on 19 November 2020 at 11:00AM (AWST) at:

The Celtic Club
48 Ord Street
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2011 (Cth) that persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 11.00am (AWST) on 17 November 2020.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instruction set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- Each member has the right to appoint a proxy;
- The proxy need not be a member of the Company; and
- A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- If proxyholders vote, they must cast all directed proxies as directed; and
- Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- If the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- If the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- If the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to the chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- An appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- The appointed proxy is not the chair of the meeting; and
- At the meeting, a poll is duly demanded on the resolution; and
- Either of the following applies:
 - (a) the proxy is not recorded as attending the meeting;
 - (b) the proxy does not vote on the resolution

the Chair if the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Return of Proxy Form: To vote by proxy, please complete and sign the enclosed Proxy Form and return to:

By Mail Share Register – Computershare Investor Services Pty Ltd

GPO Box 242

Melbourne VIC 3001

Online www.investorvote.com.au

By Fax 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

Custodian Voting

for Intermediary Online subscribers only (custodians) please visit
www.intermediaryonline.com to submit your voting intentions.

So that it is received not later than 48 hours prior to the Meeting.

NTM GOLD LIMITED

ACN 119 494 772

NTM Gold Limited (ACN 119 494 772) (**Company**) gives notice that the Annual General Meeting of Shareholders will be held at 11.00am on 19th of November 2020 at The Celtic Club, 48 Ord Street, West Perth WA.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2020, which includes the Financial Report, the Remuneration Report, the Directors' and Auditor's Reports.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **non-binding ordinary resolution**:

"That for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2020."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolution 1 - Adoption of Remuneration Report

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.
However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:
 - (i) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
 - (ii) the voter is the Chair and the appointment of the Chair as proxy:
 - (A) does not specify the way the proxy is to vote on this Resolution; and
 - (B) expressly authorises the Chair to exercise the proxy even though

this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF EDWARD VAN HEEMST AS A DIRECTOR

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

"That in accordance with clause 13.1 of the Company's Constitution and for all other purposes, Mr Edward van Heemst, who offers himself for re-election, having consented to act as a Director of the Company and being eligible, is hereby re-elected as a Director of the Company."

4. RESOLUTION 3 – ELECTION OF DR MICHAEL RUANE AS A DIRECTOR

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

"That, having been appointed during the year, for the purpose of clause 13.4 of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Dr Ruane, who offers himself for election, having consented to act as a Director of the Company and being eligible, is hereby elected as a Director of the Company."

5. RESOLUTION 4 - APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

OTHER BUSINESS

To consider any other business that may be brought forward in accordance with the constitution of the Company or the law.

The Chairman will allow reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

Dated: this 15th day of October 2020

By Order of the Board

**Edward van Heemst
Chairman
NTM GOLD LIMITED**

EXPLANATORY STATEMENT

The Explanatory Statement is intended to provide Shareholders with all information known to the Directors of NTM Gold Limited (**Company**) which is material to a decision on how to vote on the Resolutions to be considered at the Company's Annual General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, WA at 11.00am on 19th of November 2020.

This Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Please refer to the Glossary of terms contained in this Explanatory Statement that contains definitions of capitalised terms used in this Explanatory Statement.

ANNUAL FINANCIAL REPORT

The first agenda item is to receive the Annual Report of the Company for the year ended 30 June 2020, comprising the Financial Reports, Directors' Report and Independent Auditor's Report.

There is no requirement for Shareholders to approve the Annual Report of the Company for the year ended 30 June 2020. However, Shareholders present at the Annual General Meeting will be able to:

- (a) Ask the Directors present questions or make comment on the management of the Company; and
- (b) Ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Shareholders who are not able to attend the Annual General Meeting but would still like to ask questions in relation to the Annual Report of the Company for the year ended 30 June 2020 can submit written questions to the Chairman about the management of the Company, or to the Company's Auditor about:

- (a) The preparation and the content of the Auditor's Report;
- (b) The conduct of the 2020 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2020 audit.

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary at the Company's Registered Office.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.ntmgold.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act at a listed Company's Annual General Meeting, the Board is required to table the Company's

Remuneration Report to Shareholders as contained in the Company's Annual Financial Report for the financial year ended 30 June 2020 for consideration.

The Directors' Report contains the Remuneration Report which sets out the remuneration policy of the Company and reports the current remuneration arrangements in place for the non-executive directors, managing director and senior management.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company to the outcome passed. A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any arrangements in the Remuneration Report.

If, at consecutive annual general meetings, at least 25% of votes cast on a remuneration report resolution are voted against adoption of the remuneration report a company is required to put to shareholders a resolution proposing the call of another meeting of shareholders to consider the appointment of directors of the Company at which all of the directors of the Company who were in office when the directors' report (as included in the Company's Annual Financial Report for the previous financial year was approved), other than the managing director of the company, will cease to hold office but may stand for re-election.

At the Company's previous annual general meeting the vote cast against the remuneration report considered at the annual general meeting were less than 25%. Accordingly, no further resolution will be required for this Annual General Meeting.

2. RESOLUTION 2 – RE-ELECTION OF EDWARD (TED) VAN HEEMST AS A DIRECTOR

2.1 General

Clause 13.2 of the Constitution requires that at the Company's Annual General Meeting one third of the Directors (other than the Managing Director) for the time being shall retire from office and seek re-election.

Mr Edward van Heemst, who has served as a Director since January 2018 and was last re-elected on 28 November 2019, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

Mr van Heemst, who joined the board in January 2018, is a senior businessman with over 40 year's experience across a broad range of commercial activities both within private and public companies. He has an extensive knowledge of capital markets and established mining industry networks.

Mr van Heemst is currently Managing Director of Vanguard Press and a director of ASX listed company Redstone Resources Limited. Mr van Heemst holds a Bachelor of Commerce degree from the University of Melbourne, a MBA from the University of Western Australia and is a member of the Chartered Accountants Australia.

2.3 Independence

If re-elected the Board does not consider Mr van Heemst will be an independent Director.

2.4 Board recommendation

The Board has reviewed Mr van Heemst's performance since his appointment to the Board and considers that Mr van Heemst's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr van Heemst and recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – ELECTION OF DR MICHAEL RUANE AS A DIRECTOR

3.1 General

Clause 13.4 of the Constitution and ASX Listing Rule 14.4 requires that at the Company's Annual General Meeting a Director appointed to the Board since the last Annual General Meeting of the Company shall retire from office at the Annual General meeting and may seek election.

Dr Ruane was appointed to the Board on 24 April 2020. In accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4, Dr Ruane retires as a Director and, being eligible, offers himself for election as a Director of the Company.

3.2 Qualifications and other material directorships

Dr Ruane is a highly experienced resource industry executive with over 35 years in mining and chemical industries. Michael holds a PhD and BSc qualifications in chemistry from the University of Western Australia. His depth of experience and skills provide a significant contribution to the Company.

Dr Ruane has been responsible for the listing or development of numerous Public Companies including Metaliko Resources Ltd (merged with Echo Resources Ltd in 2017, Intermin Resources Ltd, Reward Minerals Ltd, Haddington Resources Ltd (now Altura Mining Limited) and Wedgetail Exploration Ltd (now Millennium Minerals Ltd).

Dr Ruane is currently an Executive Director of Reward Minerals Ltd and Non-Executive Chairman of Empire Resources Limited.

3.3 Independence

Dr Ruane is the Board representative of Empire Resources Ltd, one of NTM's largest shareholders with a 13.3% shareholding.

If elected the Board does not consider Dr Ruane will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Dr Ruane.

3.5 Board recommendation

The Board has reviewed Dr Ruane's performance since his appointment to the Board and considers that Dr Ruane's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports

the election of Dr Ruane and recommends that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – APPROVAL OF LR 7.1A MANDATE

4.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class,

calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 4.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate towards:

- (i) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- (ii) continued exploration expenditure on the Company's current assets/or projects being primarily the Redcliffe Gold Project (funds would then be used for project, feasibility studies and ongoing project administration);
- (iii) the development of the Company's current business; and
- (iv) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 21 September 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.045	\$0.090	\$0.14
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	683,859,211 Shares	68,385,921 Shares	\$3,077,366	\$6,154,732	\$9,232,099
50% increase	1,025,788,817 Shares	102,578,881 Shares	\$4,616,049	\$9,232,099	\$13,848,148
100% increase	1,367,718,422 Shares	136,771,842 Shares	\$6,154,732	\$12,309,465	\$18,464,198

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 683,859,211 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 21 September 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
 - (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- (f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2019 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 19 November 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

4.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

QUESTIONS AND COMMENTS

In accordance with the Corporations Act at the Annual General Meeting the Chair will provide an opportunity for Shareholders to ask questions and make comments in relation to the management of the Company.

ENQUIRIES

Shareholders are required to contact the Company Secretary, Mark Maine, on 08 9481 6666 or email mmaine@ntmgold.com.au if they have any queries in respect to the matters set out in these documents.

GLOSSARY

In the Notice of Meeting and Explanatory Statement, unless the context otherwise requires:

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section **Error! Reference source not found..**

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules or Listing Rules means the Listing Rules of ASX.

Auditor means the Company's auditor.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Australia;

Board means the current board of Directors.

Closely Related Party means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being:

- (a) a spouse or child of the member;
- (b) a child that member's spouse;
- (c) a dependant of that member or of that member's spouse;
- (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;
- (e) a company that is controlled by that member; or
- (f) any other person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means NTM Gold Limited (ACN 119 494 772).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* of Australia.

Directors mean the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice of Annual General Meeting.

Key Management Personnel means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for

planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Proxy Form means the form accompanying this Notice of Meeting.

Remuneration Report means the remuneration report set out in the Directors Report section of the Company's Annual Financial Report for the year ended 30 June 2020.

Resolution means a resolution set out in the Notice of Meeting.

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

Shareholder means a holder of a Share.

Special Resolution means a resolution a resolution approved by a majority of 75% of the votes of those Shareholders entitled to vote and voting on a resolution.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Australian Western Standard Time.
