

## HIGHLIGHTS FOR PERIOD

A number of drilling programmes were completed during the December Quarter at the Redcliffe Gold Project, north east of Lenora in Western Australia. The aim of the drilling was to focus on high grade areas capable of increasing both oxide and primary gold resources.

- **OCTOBER 2016:** A total of 16 shallow inclined RC holes for 1312m were completed as infill to the existing drilling at Kelly North. The aim being to provide better definition to the mineralised zone(s) and facilitate an upgrading of the current Inferred Resource to JORC2012 compliance. Significant results included:

**6m @ 6.40 g/t** (inc. 2m @ 14.48 g/t)      **2m @ 10.46 g/t**      **7m @ 2.80 g/t**  
**20m @ 2.92 g/t** (inc. 8m @ 5.29 g/t)      **15m @ 2.00 g/t** (inc. 3m @ 4.30g/t)

- **NOVEMBER 2016:** A five hole diamond drilling programme for 589m at Golden Terrace South was designed to better define structural controls to high grade zone and test other mineralised zones. Significant results included:

**29.2m @ 4.61 g/t**      **8.8m @ 10.22 g/t**      **24.6m @ 3.25 g/t**      **5.7m @ 8.63 g/t**  
**2m @ 10.15 g/t**      **19m @ 2.71 g/t**      **5.5m @ 4.05 g/t**  
**2m @ 42.9 g/t** (inc. 1m @ 83.5 g/t)

**GTRC382D:** DDH intercept 29.4m @ 4.61g/t + RC intercept 13m @ 2.18g/t = **42.2m @ 3.86g/t**

**GTRC381D:** DDH intercept 5.5m @ 4.05g/t + RC intercept 12.5m @ 16.68g/t = **18m @ 12.82g/t**

- **DECEMBER 2016:** Two diamond core holes for 492.5m was completed at the Nambi Deposit targeting plunge extensions to high grade mineralised lodes at depth. Significant results included:

**MAIN LODGE:** **4.5m @ 7.35 g/t** (inc. 2.5m @ 11.9g/t)  
**3.45m @ 7.48 g/t** (inc. 1m @ 17.8g/t)

**E1 LODGE:** **2.0m @ 8.14 g/t**

- Detailed structural interpretation at regional and deposit scale by independent consultant was conducted and preparation was made for regional drilling programmes, including statutory approvals, within the central MSZ where previous exploration has been minimal.

During the December 2016 Quarter Company also undertook a number of corporate actions including change of Company name to NTM Gold Ltd and share placement together with a drill for equity agreement to fund ongoing exploration.

## OPERATIONAL

A number of drilling programmes were completed at the Redcliffe Gold Project. The aim of the drilling was to focus on high grade areas capable of increasing both oxide and primary gold resources. Exploration targeting primary high grade gold mineralisation at depth has been minimal in the past, and as such no modern day underground operations exist along the Mertondale Shear Zone, despite the presence of numerous shallow oxide deposits and prospects.

An Independent Consultant completed a structural review of known mineralised zones at a regional scale providing valuable geological information that has aided in target definition adding to the confidence that further exploration should result in new discoveries.

## GOLDEN TERRACE SOUTH (GTS)

On 30 November, the Company announced the results from a diamond core drilling programme at the GTS Deposit. A total of five holes for 589m of mud rotary and/or diamond core drilling tails below previous RC drilling were completed to target continuations of the high grade mineralisation at depth.

Drilling intersected a package of oxidised to fresh, highly sheared and folded sediment/black shale, felsic volcanic, tuff and volcanoclastic rocks, all variably mineralised. Gold mineralisation is hosted within quartz-pyrite veins and breccia zones associated with silica-hematite-paragonite-carbonate-pyrite alteration. Sulphide abundance ranges from 5-15%, mainly disseminated and veinlet pyrite with lesser arsenopyrite, chalcopyrite and pyrrhotite.

### Higher Grade Gold Intersections Included:

<b>GTRC382D:</b>	<b>29.2m @ 4.61 g/t</b>	from 96.3m to 125.5m
	<b><i>Inc. 8.8m @ 10.22 g/t</i></b>	from 114.5m to 123.3m
<b>GTRDD009:</b>	<b>2m @ 42.9 g/t</b>	from 76m to 78m
	<b><i>Inc. 1m @ 83.5 g/t</i></b>	from 76m to 77m
<b>GTDD010:</b>	<b>24.6m @ 3.25 g/t</b>	from 127.3 to 151.9m
	<b><i>Inc. 5.7m @ 8.63 g/t</i></b>	from 135.3m to 141m
<b>GTDD011:</b>	<b>2m @ 10.15 g/t</b>	from 94m to 96m
<b>GTDD009:</b>	<b>19m @ 2.71 g/t</b>	from 85m to 104m
<b>GTRC381D:</b>	<b>5.5m @ 4.05 g/t</b>	from 100.5m to 106m

Note: All drilling orientated -60°/270°. Intervals are down hole widths\*. Recoveries in GTRC382D from 96.3-100.9m were noted as poor.

The drilling provided orientated core for detailed structural logging to aid interpretation and further targeting of the high grade zones at depth.

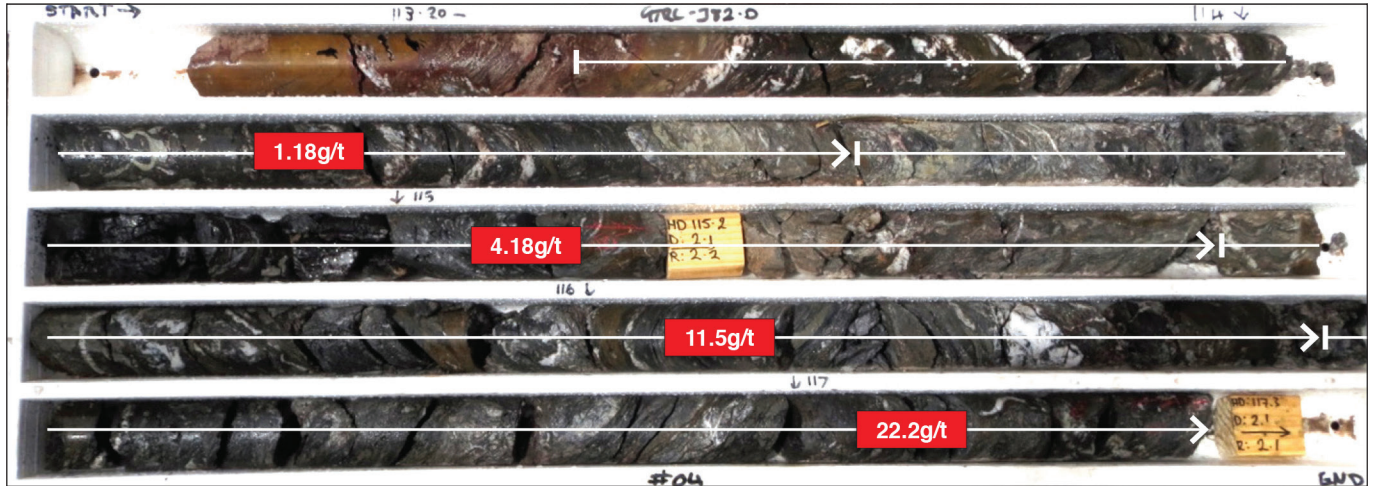
Two of the diamond core 'tails' were drilled from existing RC holes which ended in mineralisation; GTRC381 and GTRC382 (see ASX announcement, July 2016);

<b>GTRC381:</b>	<b>12m @ 16.68 g/t</b>	from 83m to 100m EOH
<b>GTRC382:</b>	<b>13m @ 2.18 g/t</b>	from 83m to 96m EOH

Both mineralised zones were extended with the diamond drilling, most notably in GTRC382D where 29.2m @ 4.61 g/t from 96.3m was recorded. This zone included a high grade interval of 8.8m @ 10.22 g/t from 114.5m and increases the mineralised interval to 42.2m when combined with the RC mineralised interval (see below).

Drill hole GTRC381D yielded a result of 5.5m @ 4.05 g/t from 100.5m increasing the mineralised interval to 18m when combined with the RC mineralised interval.

GTRC381D: RC intercept 12.5m @ 16.68g/t + DDH intercept - 5.5m @ 4.05g/t = 18m @ 12.82g/t (From 88-m to 106m).

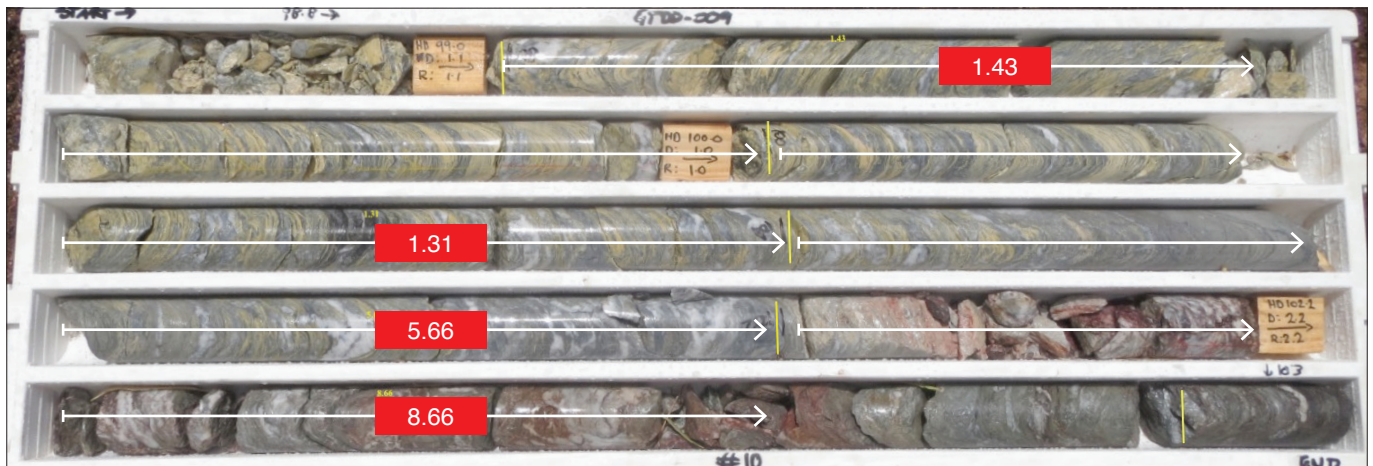


**GTRC382D:** RC intercept 13m @ 2.18g/t + DDH intercept 29.4m @ 4.61g/t = 42.2m @ 3.86g/t. (83m to 125.5m note 0.3m variance in RC hole depth)

Hole GTD010 drilled 15m east of GTRC382D also intersected significant mineralisation with an interval of 24.6m @ 3.25 g/t from 127.3m ( Inc. 5.7m @ 8.63 g/t from 135.3m) recorded. This high grade zone remains open at depth.

### NEW HIGH GRADE ZONE

Hole GTDD09, located 110m north of the main high grade zone at GTS, was drilled to confirm the presence of another high grade zone.



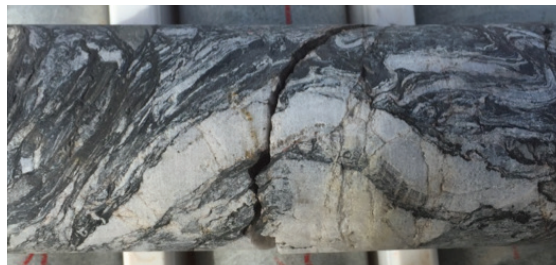
**GTDD009:** 98.8m to 103.1m. Part of 19m @ 2.71 g/t from 85m to 104m.

Two encouraging intercepts including 2m @ 42.9g/t (Inc. 1m @ 83.5g/t) from 76m and 19m @ 2.71g/t from 85m were intersected. This zone has only been lightly drilled below 80-100m and further drilling is planned.

The Company is highly encouraged at the apparent repetition of plunging mineralised zones associated with the Great Western Fault in favourable structural settings. NTM has identified other priority targets proximal to GTS and along the 30km of prospective strike of the Mertondale Shear Zone. The current JORC 2004 compliant resource estimate for GTS is 90,500 ounces. (1,391,000t @ 2.02g/t, of which 707,000t @ 2.46g/t for 56,100oz is classified as Indicated and 684,000 @ 1.56g/t for 34,400oz as Inferred).

Detailed structural logging of the GTS core by an independent consultant has provided valuable information to the controls of the gold mineralisation at GTS. Key findings were:

- The structural architecture of GTS (and other areas) is dominated by the ~N-S trending sub-vertical to steeply E- & W-dipping S0/1 foliation – this is a composite fabric comprising a transposed lithological layering and a variable intensity (moderate to intense/mylonitic) schistosity. This was developed principally in D1 and D2 deformations. The foliation is often accompanied by a variable intensity mineral lineation.
- The S0/1 fabric has been modified by E-W compression, with a strong flattening to dominantly high-angle reverse simple shear component.
- S0/1 is locally folded by F3 (and possible F4) asymmetric folds on cm to 10's metres scale. Fold axes are typically moderate to steeply plunging.
- GTS lithologies show a strong sub-vertical to steeply-dipping S0/1 in drillcore, with localised asymmetric folds – the latter are often observed as zones of foliation with a shallow angle to the core axis (hinge and short limbs of the folds).



GTRC382D. Core showing asymmetric folding.

The findings of this work will allow deeper drilling to be planned to target interpreted plunge positions of high grade zones. The findings will also be incorporated into a major regional targeting exercise aimed at augmenting and further defining/prioritising known structural zones and shallow drill targets.

#### Drill Hole Summary Tables

HOLE	GDA_E	GDA_N	DIP/AZI	DEPTH (M)	COMMENTS
GTRC381D	357518	6838290	-60/270	100-120	Extend GTRC381
GTRC382D	357535	6838290	-60/270	96-144	Extend GTRC382
GTDD009	357541	6838400	-60/270	145.1	Mud Rotary to 70m
GTDD010	357550	6838290	-60/270	180	Mud Rotary to 62m
GTDD011	357555	6838270	-60/270	200	Mud Rotary to 62m

HOLE	FROM	TO	RESULT (AU)
GTDD009	76	78	<b>2m @ 42.9 g/t</b>
Inc.	76	77	<b>1m @ 83.5 g/t</b>
	85	104	<b>19m @ 2.71 g/t</b>
Inc.	90	91	<b>1m @ 10.4 g/t</b>
	101	103	2m @ 7.16 g/t
GTRC381D	100.5	106	<b>5.5m @ 4.05 g/t</b>
GTDD011	85	89	4m @ 2.4 g/t
	94	96	<b>2m @ 10.15 g/t</b>
	99.1	120.5	<b>21.4m @ 1.78 g/t</b>
	135.8	142	6.2m @ 1.31 g/t
	144	147	3m @ 1.22 g/t
	167.9	169.9	2m @ 1.61 g/t
GTRC382D	96.3	125.5	<b>29.2m @ 4.61 g/t</b>
Inc.	114.5	123.3	<b>8.8m @ 10.22 g/t</b>
	137.5	139.5	2.5m @ 3.0 g/t
GTDD010	91	106.8	<b>15.8m @ 1.58 g/t</b>
	109.2	124.3	<b>15.1m @ 1.74 g/t</b>
	127.3	151.9	<b>24.6m @ 3.25 g/t</b>
Inc.	135.3	141	<b>5.7m @ 8.63 g/t</b>
	172	174.1	1.1m @ 1.1 g/t

Intervals calculated at +0.5 g/t Au cut with maximum of 2m continuous internal dilution. No upper cut. Bold is >20 gxm.

## KELLY RC DRILLING

The Company completed a 16 hole RC drilling programme at the Kelly Deposit for 1312metres as infill to previous drilling at Kelly North, with the aim being to provide better definition to the mineralised zone(s) and facilitate upgrading of the current Inferred Resource to JORC2012 compliance.

### Higher grade gold intersections include:

<b>GTRC394:</b>	<b>20m @ 2.92 g/t</b>	from 56m to 76m
	<b>Inc. 8m @ 5.29 g/t</b>	from 62m
<b>GTRC402:</b>	<b>6m @ 6.40 g/t</b>	from 48m to 54m
	<b>Inc. 2m @ 14.48 g/t</b>	
<b>GTRC401:</b>	<b>2m @ 10.46 g/t</b>	from 20m to 22m
<b>GTRC400:</b>	<b>15m @ 2.00 g/t</b>	from 51m to 66m
	<b>Inc. 3m @ 4.30g/t</b>	from 51m
<b>GTRC396:</b>	<b>7m @ 2.80 g/t</b>	from 9m to 16m
<b>GTRC397:</b>	<b>15m @ 1.72 g/t</b>	from 53m to 68m

Note- All drilling orientated -60°/270° . Intervals are down hole widths

Previous work has delineated large anomalous gold trend of over 2km at the Kelly Deposit, which has a current Inferred Resource of 2.41 Mt @ 1.04 g/t for 80,400 oz at a +0.5 g/t Au, and is open in all directions ( Kelly Deposit Resource Estimation; BGMS, Kalgoorlie, 2012).

At a +0.2 g/t Au cut, the Inferred Resource at Kelly is currently estimated at 7,878,000t @ 0.63g/t for 159,320oz which demonstrates the large lower grade mineralisation that characteristic of the Kelly Deposit (Kelly Deposit Resource Estimation; BGMS, Kalgoorlie, 2012). However, higher grade zones also comprise portions of the Kelly mineralisation with the recently completed drilling focussing on one such zone at Kelly North. Mineralisation at Kelly within the oxide profile is hosted in highly sheared felsic saprolite and clays, with fresher material displaying limonite-ankerite-silica-chlorite-pyrite alteration and quartz veining. Depth of complete oxidation is generally >90m downhole. The results from the drilling outline a northerly striking mineralised higher grade zone over some 150 metres, open along strike and at depth. It is inferred that late NE striking faulting may slightly offset the zone.

The Company is encouraged by these results, which confirm that coherent higher grade zones occur within the broad, +2 km Kelly mineralised trend identified to date. Further drilling including RC and diamond drilling to provide detailed geological/resource information and initial material for preliminary metallurgical testing is planned at Kelly.

### Kelly North- Drill Hole Summary

HOLE	GDA_E	GDA_N	DEPTH (m)	AZ/DIP	FROM	TO	RESULT (Au)
<b>GTRC388</b>	358108	6842279	100	270/-60	47	48	1m @ 1.38
					66	67	1m @ 2.29
					81	86	5m @ 1.38
					91	92	1m @ 1.08
<b>GTRC389</b>	358070	6842299	80	270/-60	16	18	2m @ 1.48
					33	38	5m @ 0.7
					62	67	5m @ 0.9
					69	70	1m @ 1.14 EOH
<b>GTRC390</b>	358085	6842299	90	270/-60	25	29	4m @ 1.20
					47	54	<b>7m @ 1.32</b>
					57	66	<b>9m @ 1.66</b>
<b>GTRC391</b>	358100	6842299	100	270/-60	44	45	1m @ 1.02
					61	65	4m @ 1.37
					67	78	<b>11m @ 1.01</b>

HOLE	GDA_E	GDA_N	DEPTH (m)	AZ/DIP	FROM	TO	RESULT (Au)
GTRC392	358060	6842327	66	270/-60	6	9	3m @ 1.03
					29	34	5m @ 1.48
					58	60	2m @ 0.95
					63	66	3m @ 1.28 EOH
GTRC393	358075	6842327	80	270/-60	14	15	1m @ 3.05
					20	21	1m @ 1.17
					27	28	1m @ 1.09
					39	44	5m @ 0.9
					59	61	2m @ 2.25
					66	76	<b>10m @ 1.26</b>
GTRC394	358090	6842327	100	270/-60	39	42	3m @ 2.69
				<i>Inc.</i>	40	41	1m @ 7.13
					56	76	<b>20m @ 2.92</b>
				<i>Inc.</i>	62	70	<b>8m @ 5.29</b>
					98	100	2m @ 1.13 EOH
GTRC395	358060	6842352	70	270/-60	33	34	1m @ 1.54
					56	70	14m @ 1.56 EOH
				<i>Inc.</i>	57	58	1m @ 8.12
GTRC396	358075	6842352	80	270/-60	9	16	<b>7m @ 2.80</b>
				<i>Inc.</i>	10	11	1m @ 7.14
					13	14	1m @ 7.85
					21	23	2m @ 1.26
					41	43	2m @ 0.95
					51	52	1m @ 2.18
					56	60	4m @ 1.80
					66	67	1m @ 1.99
GTRC397	358090	6842352	100	270/-60	53	68	<b>15m @ 1.72</b>
				<i>Inc</i>	63	67	<b>4m @ 3.00</b>
					88	93	<b>5m @ 2.08</b>
GTRC398	358060	6842377	66	270/-60	8	10	2m @ 1.60
					29	34	<b>5m @ 2.00</b>
					41	42	1m @ 1.52
					47	50	3m @ 1.65
					54	58	4m @ 1.07
					61	62	1m @ 1.23
GTRC399	358075	6842377	80	270/-60	9	14	5m @ 0.67
					50	56	6m @ 1.41
GTRC400	358090	6842377	100	270/-60	51	66	<b>15m @ 2.00</b>
				<i>Inc.</i>	51	54	<b>3m @ 4.30</b>
GTRC401	358045	6842402	60	270/-60	13	16	3m @ 1.55
					20	22	<b>2m @ 10.46</b>
					52	60	8m @ 0.72 EOH
GTRC402	358075	6842402	80	270/-60	13	14	1m @ 1.04
					40	44	4m @ 0.78
					48	54	<b>6m @ 6.40</b>
				<i>Inc.</i>	49	51	<b>2m @ 14.48</b>
					58	59	1m @ 1.44
					74	77	3m @ 1.49
GTRC403	358060	6842402	100	270/-60	51	58	<b>7m @ 1.39</b>

(Intervals calculated at +0.5 g/t Au with generally 2m of continuous internal dilution maximum)

## NAMBI DRILLING PROGRAMME

Two diamond core holes were drilled for a total of 492.5m at the Nambi Deposit in December 2016. The drilling was designed as follow up to the highly encouraging gold results received from drilling completed at the Nambi Deposit in the September 2016 quarter. Additional input was provided from structural observations concerning potential plunge orientations to the high grade lodes determined from geological interpretation.

Both holes were planned to intersect high grade plunge positions of the Main and E1 lodes, utilising existing drill pads but with varying drill hole inclinations (dips).

Previous drilling campaigns were hampered by excessive drill hole deviation. Continual monitoring by NTM and controlled drilling practices by the contractor (Kalgoorlie-based Westralian Diamond Drillers) resulted in the lode systems being intersected with acceptable deviation from planned intersect positions.

The Main Lode, which was the focus for open pit mining in the 1990's, was intersected in both holes and comprised a mylonitised package of felsic volcanics, volcanoclastic rocks and black shales. Intense silicification and sulphides characterise the Main Lode, with sulphide content (pyrrhotite-pyrite-chalcopyrite-arsenopyrite) exceeding 20% in places. Detailed structural logging of the core suggests that both the Main and E1 lodes occur within in parasitic fold hinge zones, plunging steeply SSE.

Similarly, both holes intersected the E1 Lode, which has been lightly drill tested to date. The E1 lode differs slightly from the Main Lode in that mineralisation generally occurs above basal sulphidic black shale within mylonitised, silicified felsic volcanoclastic/sediment, and is also characterised by abundant sulphide content.

**Drilling has increased the plunge extent of both lodes, in particular the Main Lode was has increased by some 50m to approximately -250m below surface, and remains open down plunge. Significant intervals include:**

HOLE	FROM	TO	INTERVAL	COMMENTS
NBDD002	93.2	95.2	2.0m @ 8.15 g/t Au	E1 Lode
	181.0	185.5	<b>4.5m @ 7.35 g/t Au</b>	Main Lode
<i>Inc.</i>	<i>181.7</i>	<i>184.2</i>	<b>2.5m @ 11.9 g/t Au</b>	
NBDD003	123.35	124	0.65m @ 1.58 g/t	E2 Lode
	185.0	186.9	1.9m @ 3.37 g/t Au	E1 Lode
<i>Inc.</i>	<i>186.5</i>	<i>186.9</i>	<i>0.4m @ 11.9 g.t Au</i>	
	280.4	283.85	<b>3.45m @ 7.48 g/t Au</b>	Main Lode
<i>Inc.</i>	<i>281.4</i>	<i>282.4</i>	<i>1.0m @ 17.8 g/t Au</i>	

Note: Intervals are down hole width. Intervals calculated at +0.4 g/t Au cut with maximum of 2m continuous internal dilution. No upper cut. Bold is > 20 gxm.



Main Lode: NBDD002 182.5m (above) and 184.3m (right)

The Company is to investigate the potential for additional mineralised zones in untested structural positions as part of upcoming programmes. Additionally, a regional Aircore drilling programme is being finalised targeting new Nambi-style mineralised zones along strike of the Nambi pit, both to the north and south. Several structural and geochemical targets exist along strike which remain to be drill tested.

### Nambi- Drill Hole Summary

HOLE	GDA_E	GDA_N	DEPTH (m)	AZ/DIP
NBDD002	358699	6858210	201.9	-62/270
NBDD003	358732	6858167	290.6	-67/270

## CORPORATE

Following ratification from shareholders at the Company's AGM in November, the Company's name was changed to NTM Gold Ltd.

Non-Executive Directors, David Ryan and Bruce McFarlane resigned as part of the evolution of the Board with the Company's continued to focus of the Redcliffe Gold Project and position for future developments. Their efforts and contributions to the Company by Mr Ryan and Mr McFarlane were acknowledged.

## PLACEMENT & DRILL FOR EQUITY AGREEMENT

During the quarter the Company completed a placement to raise \$1.275 million from Sophisticated Investors under which 25.5 million shares were issued at a price of 5 cents per share.

NTM also secured an agreement with Ausdrill Limited (ASX:ASL) for \$1 million drilling for equity programme (the Agreement) in relation to the Redcliffe Gold Project in the Eastern Goldfields, Western Australia. Under the Agreement, Ausdrill will:

- provide approximately 30,000 metres of Reverse Circulation and Air Core drilling; and
- receive payment for up to \$1 million of drilling services at the Redcliffe Gold Project via the issue of ordinary shares in NTM pursuant to a payment mechanism based upon the volume weighted average price of the ordinary shares for the invoice period against the value of each invoice. Drilling rates proposed under the Agreement have been verified by NTM as commercially competitive. The Agreement will have immediate effect and apply to the Company's drilling programme recommencing in early 2017.

The Placement, together with the \$1 million under the Agreement will bring NTM's total funding and support to \$2.275M.

RC and diamond core drilling are planned to expand testing of mineralised zones and facilitate resource review and upgrades to JORC 2012 compliance. Aircore drilling is to be conducted as the principal tool for systematic testing of underexplored areas along the MSZ.

## Redcliffe Gold Project Overview

The Company's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Gold Project area comprises ~160 km<sup>2</sup> of tenure.

The company currently has a resource inventory of **278,100 Oz** (5.48Mt @ 1.57 g/t Au) in both the Indicated (0.969Mt @ 2.7 g/t) and Inferred (4.512Mt @ 1.33 g/t) categories. Currently, the gold inventory for the Redcliffe Gold Project comprises eight (8) deposits contained within the Indicated and Inferred Categories. Resources estimations were carried out by independent consultants as detailed below:

### Golden Terrace South (GTS)

– BGMS (Kalgoorlie, 2011)

**Nambi** – Coffey Mining (Perth, 2008)

**Redcliffe** – Coffey Mining (Perth, 2008)

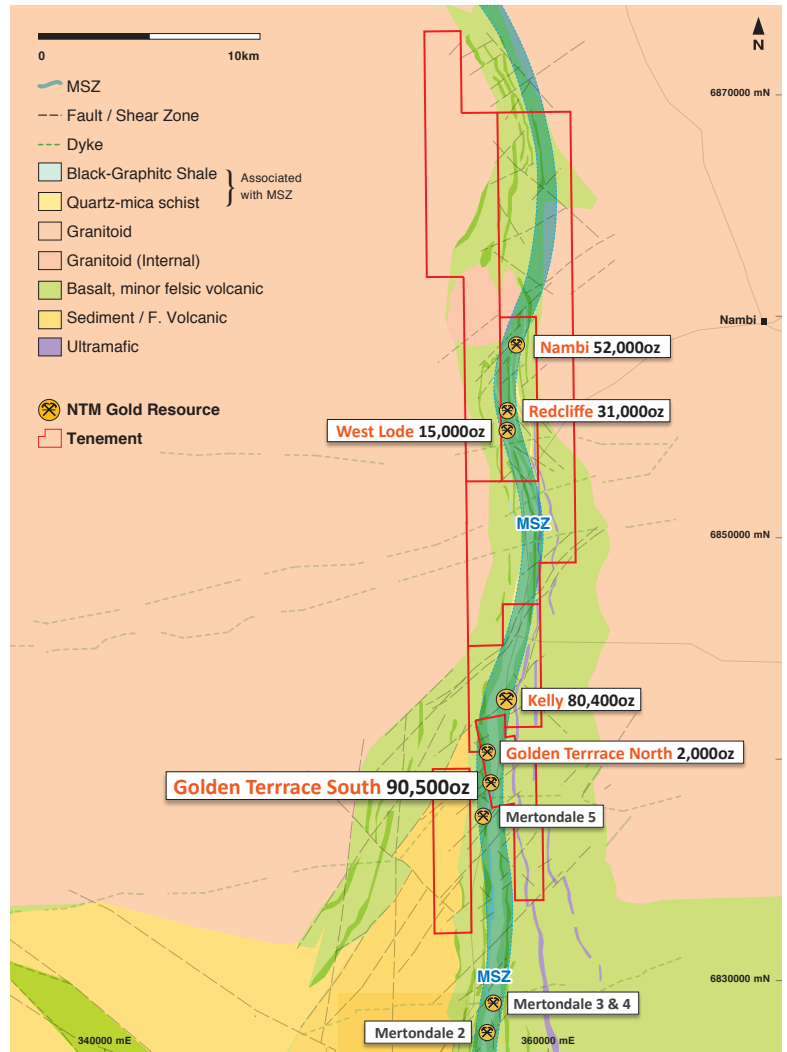
**West Lode** – Coffey Mining (Perth, 2008)

**Mesa** – Coffey Mining (Perth, 2008)

**Golden Terrace North (GTN)** – BGMS (Kalgoorlie, 2011)

**Golden Spear** – Coffey Mining (Perth, 2008)

**Kelly** – BGMS (Kalgoorlie, 2012)



Redcliffe Gold Project. Note Pig Well Project (P37/7948 & 7646) not shown.

### Redcliffe Gold Project – Current Estimated Resource

Deposit	Indicated			Inferred			Total		
	T	Au(g/t)	Oz	T	Au(g/t)	Oz	T	Au(g/t)	Oz
GTS	707,000	2.46	56,100	684,000	1.56	34,400	1,391,000	2.02	90,500
Nambi	262,000	3.30	28,000	298,000	2.50	24,000	560,000	2.88	52,000
Redcliffe				560,000	1.70	31,000	560,000	1.70	31,000
West Lode				373,000	1.20	15,000	373,000	1.20	15,000
Mesa				95,500	1.50	5,000	95,500	1.50	5,000
GTN				64,000	1.53	3,200	64,000	1.53	3,200
Golden Spear				26,000	1.60	1,000	26,000	1.60	1,000
Kelly				2,412,000	1.04	80,400	2,412,000	1.04	80,400
<b>TOTAL</b>	<b>969,000</b>	<b>2.70</b>	<b>84,100</b>	<b>4,512,000</b>	<b>1.33</b>	<b>194,000</b>	<b>5,480,000</b>	<b>1.57</b>	<b>278,100</b>

Note – Resources calculated at >0.5 g/t Au cut. Figures have been rounded.

Rodney Foster, CEO

#### Competent Person Statement

The information in this report, as it relates to Exploration Results, is based on information compiled and/or reviewed by Rodney Foster who is a Member of The Australasian Institute of Mining and Metallurgy. Rodney Foster is a Director of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rodney Foster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This information with respect to Resources was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

## Tenement List

Project/Tenement Held	Location	Tenement Number	Economic Entity's Interest at Quarters End	Change in Economic Entity's Interest during Quarter
Redcliffe Gold Project	Western Australia	M37/1276	100%	No Change
Redcliffe Gold Project	Western Australia	M37/1285	100%	No Change
Redcliffe Gold Project	Western Australia	M37/1286	100%	No Change
Redcliffe Gold Project	Western Australia	M37/1295	100%	No Change
Redcliffe Gold Project	Western Australia	E37/1205	100%	No Change
Redcliffe Gold Project	Western Australia	P37/7648	100%	No Change
Redcliffe Gold Project	Western Australia	P37/7948	100%	No Change
Redcliffe Gold Project	Western Australia	ELA37/1288	100%	No Change
Redcliffe Gold Project	Western Australia	ELA37/1289	100%	No Change
Goose Well	Western Australia	P39/5593, P39/5401	100%	No Change

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

+Rule 5.5

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

NTM Gold Limited

**ABN**

24 119 494 772

**Quarter ended ("current quarter")**

31 December 2016

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>			
1.1 Receipts from customers	-	-	-
1.2 Payments for			
(a) exploration & evaluation	(462)	(570)	
(b) development	-	-	
(c) production	-	-	
(d) staff costs	(60)	(116)	
(e) administration and corporate costs	(187)	(305)	
1.3 Dividends received (see note 3)	-	-	
1.4 Interest received	2	4	
1.5 Interest and other costs of finance paid	-	-	
1.6 Income taxes paid	-	-	
1.7 Research and development refunds	-	-	
1.8 Other – EIS government grant	51	51	
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(656)</b>	<b>(936)</b>	

<b>2. Cash flows from investing activities</b>			
2.1 Payments to acquire:			
(a) property, plant and equipment	-	-	
(b) tenements (see item 10)	(6)	(7)	
(c) investments	-	-	
(d) other non-current assets	-	-	

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(6)</b>	<b>(7)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,275	1,275
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(7)	(7)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - proceeds on sale of treasury shares	-	416
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,268</b>	<b>1,684</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	901	766
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(656)	(936)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(7)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,268	1,684
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,507</b>	<b>1,507</b>

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	1.363	758
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other – term deposit	144	143
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1.507</b>	<b>901</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
103
-

Payments include consultancy fees \$27, directors' fees \$55, hire costs \$6, rent \$10 and wages \$5.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

## Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other – drilling for equity facility	1,000	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 15 December 2016, the Company announced it had secured an agreement with Ausdrill Limited for \$1 million in a drilling for equity programme in relation to the Redcliffe Gold Project.

This facility is not included in the above cash flow.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	466
9.2 Development	-
9.3 Production	-
9.4 Staff costs	27
9.5 Administration and corporate costs	146
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	639

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A			


## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

## Appendix 5B

**Mining exploration entity and oil and gas exploration entity quarterly report**

Sign here:

  
.....  
(Company Secretary)

Date: 25 January 2017

Print name: Mark Maine

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.