NTM GOLD LIMITED

ABN 24 119 494 772

2017 Annual Report

Contents

Corporate Directory

NTM Gold Limited

ABN 24 119 494 772

Directors

Rodney Foster (Chief Executive Officer)
Paul Price (Chairman, Non-Executive Director)
Lloyd Jones (Non-Executive Director)

Company Secretary

Mark Maine

Registered Office

Suite 1, 64 Thomas Street
West Perth WA 6005
Australia

Solicitors

Price Sierakowski
Level 24, St Martin's Tower
44 St George's Terrace
Perth WA 6000
Australia

Bankers

Westpac Banking Corporation Limited
109 St George's Terrace
Perth WA 6000
Australia

Share Registry

Computershare Investor Services Pty Ltd
Level 11
172 St George's Terrace
Perth WA 6000
Australia

Stock Exchange Listing

The Company is listed on the Australian Securities Exchange
ASX Code: NTM

Website

www.ntmgold.com.au

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008
Australia

Directors' report

The Directors of NTM Gold Limited and its controlled entities ("NTM Gold" or "the Group") present their Annual Report for the year ending to 30 June 2017 ("the Reporting Date").

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Names, qualifications experience and special responsibilities

Mr Rodney Foster BSc
Chief Executive Officer
Appointed as Non-Executive Director on 8 April 2016, Chairman 27 June 2016 to 3 August 2016, Chief Executive Officer on 3 August 2016

Mr. Foster is a geologist with over 27 years' experience in the gold exploration and mining industry in Western Australia and Victoria. His experience includes working for Pancontinental Mining at Paddington, Samantha Exploration, CSR's Gold Resources Pty Ltd and North Kalgurli Mines on the Golden Mile, Money Mining NL, Peak Resources Ltd and was founding Managing Director of Goldminco NL, a Victorian exploration company.

During the past three years, Mr Foster has served as a Director of the following listed company:

- Redcliffe Resources Limited (delisted 13 April 2016): from 28 January 2004 to current date.

Mr Paul Price
Chairman, Non-Executive Director
Appointed as Non-Executive Director on 7 July 2016, Chairman on 3 August 2016

Mr Price is a commercial lawyer with extensive experience in legal and commercial matters focussing on the resource sector. He has advised national and international companies on commercial transactions, corporate governance, capital raising and structuring issues.

He is a member of the Australian Institute of Company Directors, AMPLA (the Resources and Energy Law Association) and the Association of Mining and Exploration Companies. He has a Bachelor of Jurisprudence, a Bachelor of Laws, and a Masters of Business Administration all from the University of Western Australia.

During the past three years, Mr Price has served as a Director of the following listed companies:

- Windimurra Vanadium Limited: from 30 July 2012 until 16 April 2015.
- Oz Brewing Limited: from 19 June 2014 until 25 March 2015.
- CAQ Holdings Limited: from 2 May 2013 to current date.

Mr Lloyd Jones
Non-Executive Director
Appointed Non-Executive Director on 14 February 2011, Managing Director 20 June 2011 to 30 June 2016

Mr Jones has over 30 years of experience working within the private and government sectors providing administration, strategic development and project deployment in regional Western Australia and in Queensland for the last 14 years.

Mr Jones was previously employed as the Manager of Community Relations for a large Queensland based private coal exploration and mining company with extensive operations in the Moranbah Coal Basin. His role covered all aspects of Cultural Heritage, Native Title and land access.

His work focused on developing several negotiated agreements with traditional owners that would allow that company to secure the grant of mining leases from the State of Queensland. He was also responsible for general land access matters with pastoralists, the state and local government departments.

Previous experience in Queensland included several years as the Manager of Community and Stakeholder relations at MMG Century, the world's second largest open pit zinc mine. The Century Zinc Mine is located 250 kilometres north west of Mt Isa in the lower Gulf Region of North Western Queensland. His Department was responsible for the administration of the Gulf Communities Agreement that is fundamental to the operations at the mine, that company being strongly committed to honouring the spirit as well as the intent of that agreement.

During the past three years Mr Jones has not served as a Director of any other listed companies.

Directors' report (continued)

Directors (continued)

Mr David Ryan
Non-Executive Director

Resigned 8 November 2016.

Mr Bruce McFarlane
Non-Executive Director

Resigned 8 November 2016.

Company Secretary

Mr Mark Maine M Com. B Bus (Acc) PG Dip (Com)
Company Secretary
Appointed 3 August 2016

Mr Maine is an experienced company secretary and former Executive Director and founder of ASX listed mining company, Peak Resources Limited. He currently manages his consultancy business specialising in company secretarial practice, corporate strategy, governance and corporate administration.

Interests in the shares and options of the group

At the date of this report, the interests of the Directors, including those nominally held, in the shares and options of NTM Gold Limited were:

Director	Number of Ordinary Shares	Number of Options over Ordinary Shares
R Foster	17,995,402	-
P Price	638,181	-
L Jones	2,761,942	-

Corporate information

Corporate structure

NTM Gold Limited is a Company limited by shares that is incorporated and domiciled in Australia.

Principal activities

The principal activities of the Group throughout the year have comprised the following:

- Exploration of mining tenements;
- Investing cash assets in interest bearing bank accounts;
- The general administration of the Group.

Loss per share

Basic loss per share	(0.29) cents
Diluted loss per share	(0.29) cents

Dividends

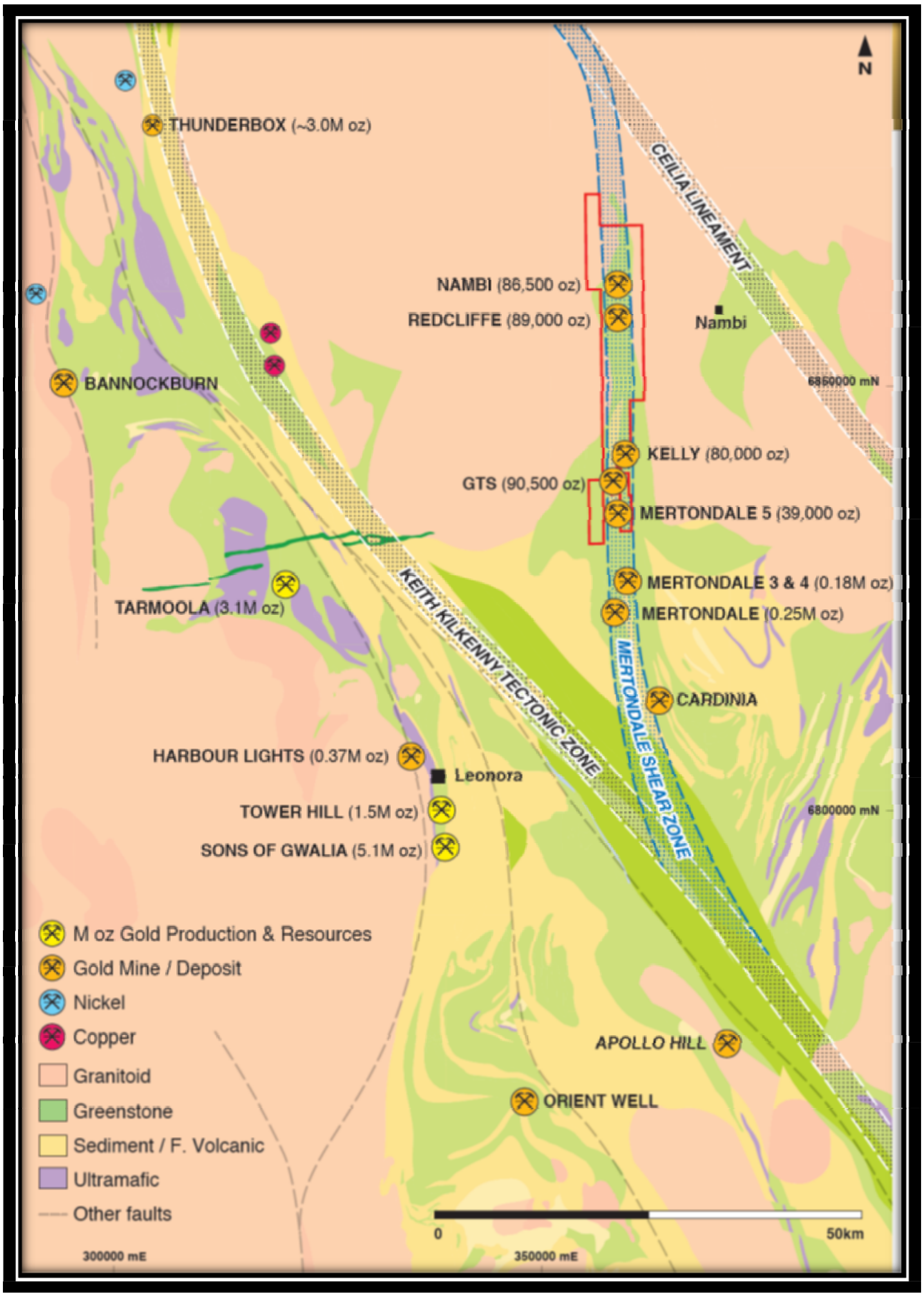
No dividends in respect of the current financial year have been paid, declared or recommended for payment.

Directors' report (continued)

Review of operations

Redcliffe Gold Project

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 Project area comprises 160 km^2, predominantly mining leases, and overlies Archaean-aged greenstones and more specifically the Mertondale Shear Zone (MSZ), a regionally important gold-endowed structure.



Directors' report (continued)

Review of operations (continued)

Since Mid-2016, a total of 21,000m AC, 6,000m RC and 1,200m of DC has been completed returning significant near mine and regional drilling results. Exploration continues with the aim to significantly increase the Project's Gold Resource base.

Golden Terrace South

The Golden Terrace South deposit is structurally controlled by the Great Western Fault, the west mineralised bounding shear to the MSZ. Mineralisation consists of a series of sub-vertical lodes hosted within highly sheared felsic volcanic and sediments. Depth of oxidation is over 90-100 metres below surface.
Drilling completed by the Company at the 90,500 oz Golden Terrace South Deposit (GTS) extended the known mineralised zones and provided structural data for deeper drill targeting of high grade shoots. Significant results received from RC and DC drilling included:

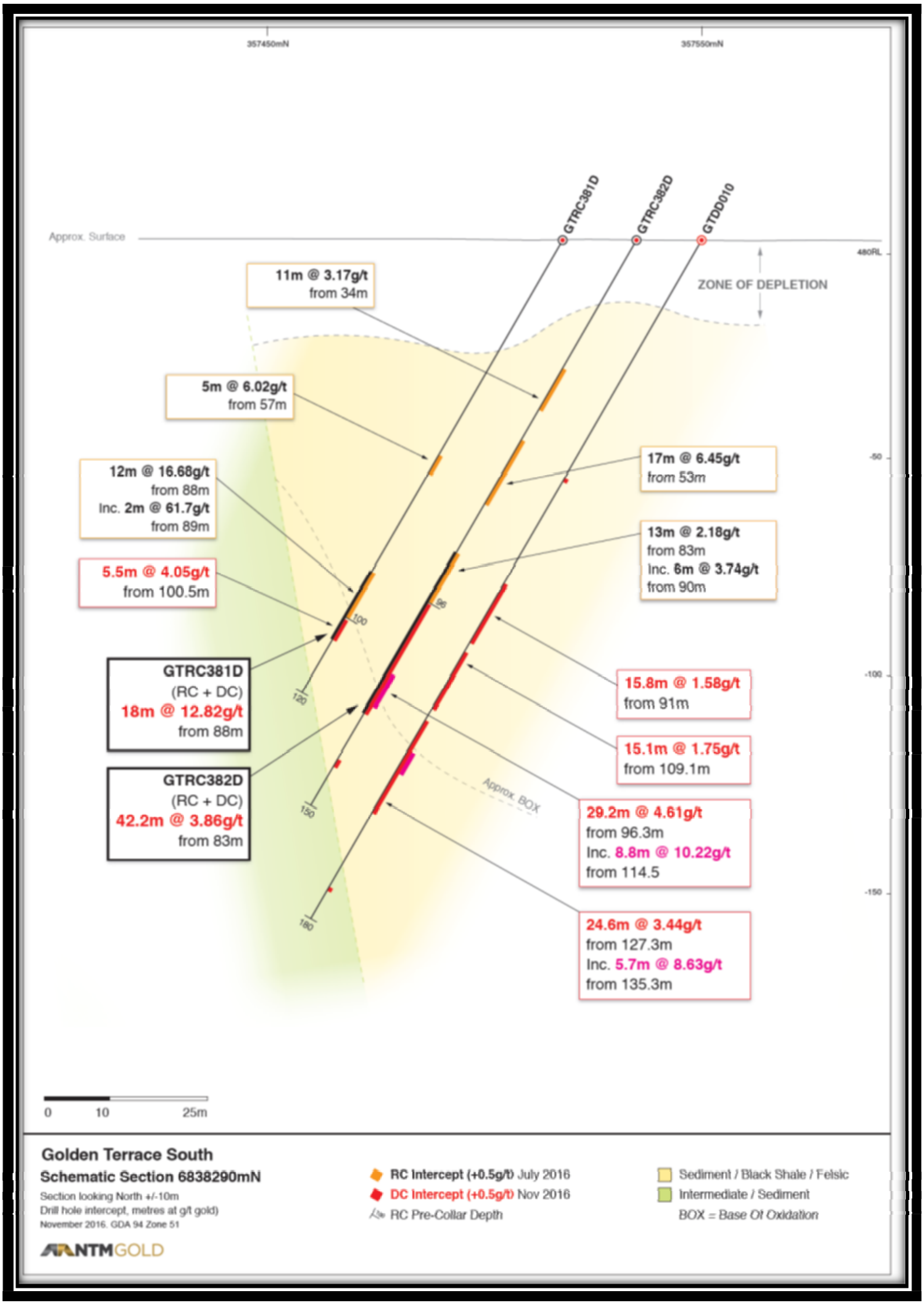
GTS- 2016/17 Drilling Highlights

42.2m @ 3.86g/t Inc. **8.8m @ 10.22 g/t**	From 33-125.5m in GTRC382D From 114.5-123.3
2m @ 42.9 g/t **Inc. 1m @ 83.5 g/t**	From 76-78m From 76-77m in GTRDD009
24.6m @ 3.25 g/t **5.7m @ 8.63 g/t**	From 127.3-151.9m in GTDD010 From 135.3-141m
18m @ 12.82 g/t	From 88-106m in GTRC381D
6m @ 6.08g/t	From 41-47m in GTRC 378
19m @ 3.8g/t	From 77-96m in GTRC 379
15m @ 5.78g/t	From 71-86m in GTRC384
12m @ 11.37g/t Inc: **4m @ 24.8g/t**	From 77-89m From 78m in GTRC385
12m @ 4.59g/t Plus 16m @ 7.53**g/t** Within **66m @ 3.70g/t**	From 60-72m From 75-91m From 60-126m in GTRC386
16m @ 4.98g/t Plus **30m @ 7.71g/t** Inc: **3m @ 45.9g/t** Within **44m @ 6.41g/t**	From 35-51m From 75m -105m From 84-87m From 61 -105m in GTRC387

Directors' report (continued)

Review of operations (continued)

GTS DEPOSIT - DRILL SECTION 6838290mN



Directors' report (continued)

Review of operations (continued)

RC drilling was also completed targeting extensions to mineralised zones both north and south at GTS. The drilling intersected the southern extension of GTS with results including:

- **18m @ 2.90 g/t (Inc. 7m @ 5.50 g/t) from 112m,**
- **16m @ 1.74 g/t (Inc. 5m @ 3.92 g/t) from 152m,**

The southerly extension to the GTS mineralisation remains open and further drilling is planned.
Some 400m north of the main GTS deposit, drilling intersected **12m @ 3.40 g/t (Inc. 3m @ 7.25 g/t) from 97m,** considered to be the northerly extension of the GTS mineralised system.

The mineralisation remains open along strike to the north and at depth, and further drilling is planned to test both extension to near surface mineralisation and high grade primary zones.

Nambi

The Nambi Deposit is 20km north from GTS along the MSZ. The local geological setting of the Nambi mineralised system comprises a northerly striking, steep east dipping package of intercalated mafic, felsic and sedimentary rocks. All are highly sheared to mylonitic. At least two high grade lodes where identified at depth during the financial year from a diamond drilling programme undertaken at Nambi. In 2016, the Company completed deep DC drilling aiming to intersect the primary high grade lodes at depth.

The drilling successfully intersected both the Main and E1 lodes at depth with significant results received.

(Main Lode)

- 6m @ 6.62 g/t Au, (Inc. 1m @ 23.64 g/t) from 163.5in NBDD001
- 4.50m @ 7.35 g/t Au (Inc. 2.5m@ 11.9g/t) from 181.0m in NBDD002
- 3.45m @ 7.48 g/t (Inc. 1m @ 17.8 g/t) from 280.4m in NBDD003

(E2 Lode)

- 3.2m @ 9.86 g/t Au from 239m in NBRC112D
- 2.00m @ 8.14 g/t Au from 93.2m in NBDD002
- 2.5m @ 4.55 g/t Au from 80.5m in NBDD001

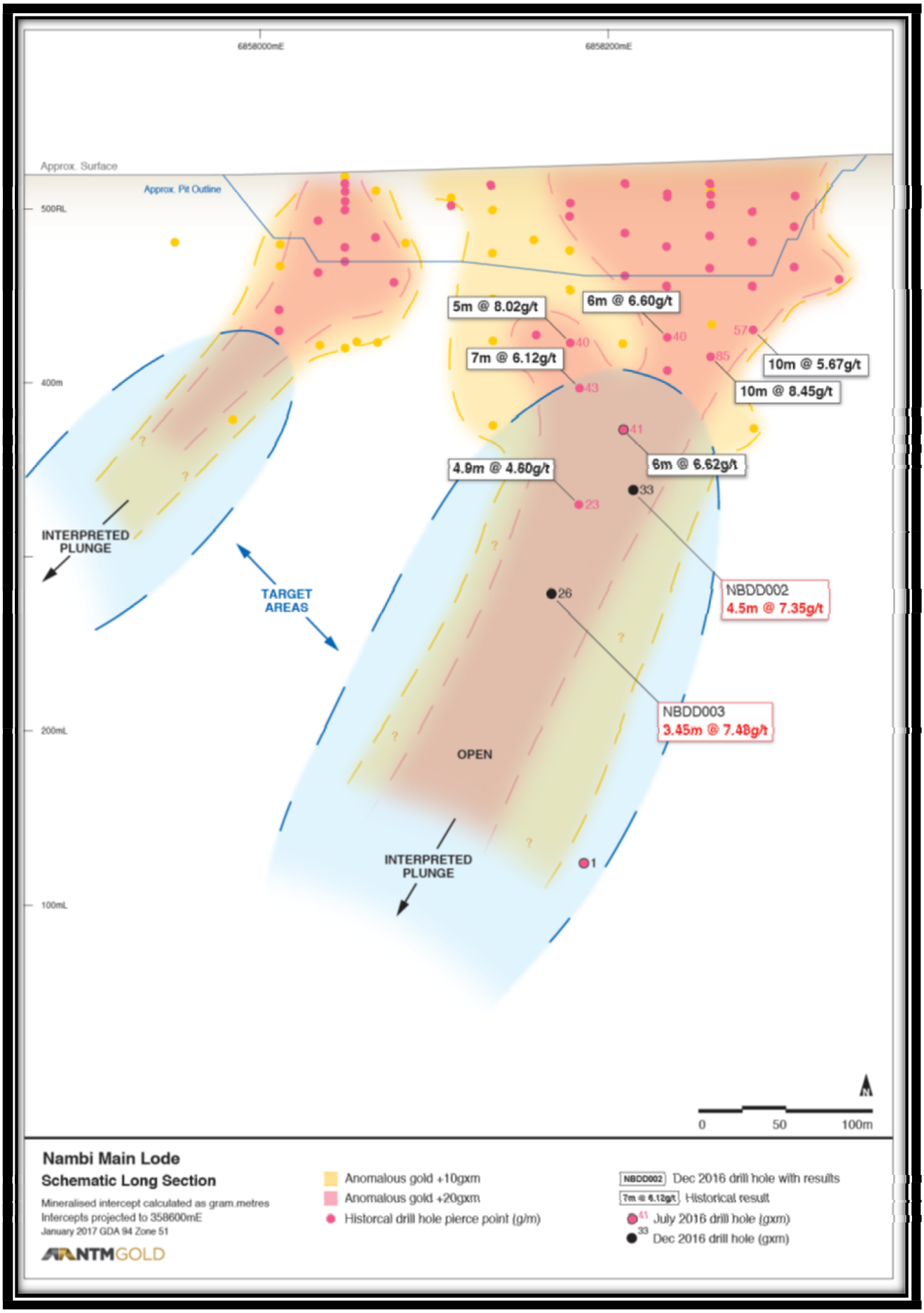
The lodes remain open down plunge and along strike with further drilling planned to extend the mineralisation.

Nambi presents itself is an attractive, high grade target doe both open pit cutback and underground**.**

Directors' report (continued)

Review of operations (continued)

Nambi Deposit- Long Section (Main Lode)



Directors' report (continued)

Review of operations (continued)

Kelly

The Kelly Deposit is located on the eastern side of the MSZ along the Mertondale Shear Zone. The mineralisation defined to date is hosted within multiply deformed felsic volcanics. The Kelly mineralised system as defined by RC drilling is over 2km long, with recent regional AC drilling now doubling this mineralised extent.

The Kelly trend is a large gold mineralised system, which is considered prospective for large tonnage, lower grade type deposits.

Regional Exploration

The Company commenced a large systematic, regional geochemical aircore drilling programme in early 2017 which has outlined extensive gold mineralised systems.

Recent structural interpretation work identified prospective targets zones associated with the gold endowed Mertondale Shear Zone (MSZ) together with targets in prospective structural sites away from the MSZ. Of note is the identification of north east trending 'link' structures which transect the MSZ and may have a spatial association with higher grade gold zones. Mineralised link structures are known to be important controls to mineralisation at other gold deposits within the Eastern Goldfields.

Drilling was completed on broad spaced (100 to 250m) drill lines and to date has tested only 4-5km of the 10km long Central Zone, with a further 5km remaining to be tested north of Nambi.

Regional exploration to date has defined:

- Eight kilometre extension of gold mineralised trend with individual assays up to 9.8g/t along the Great Western Fault to north of Golden Terrace South deposit through to the newly defined *Bindy Prospect*.

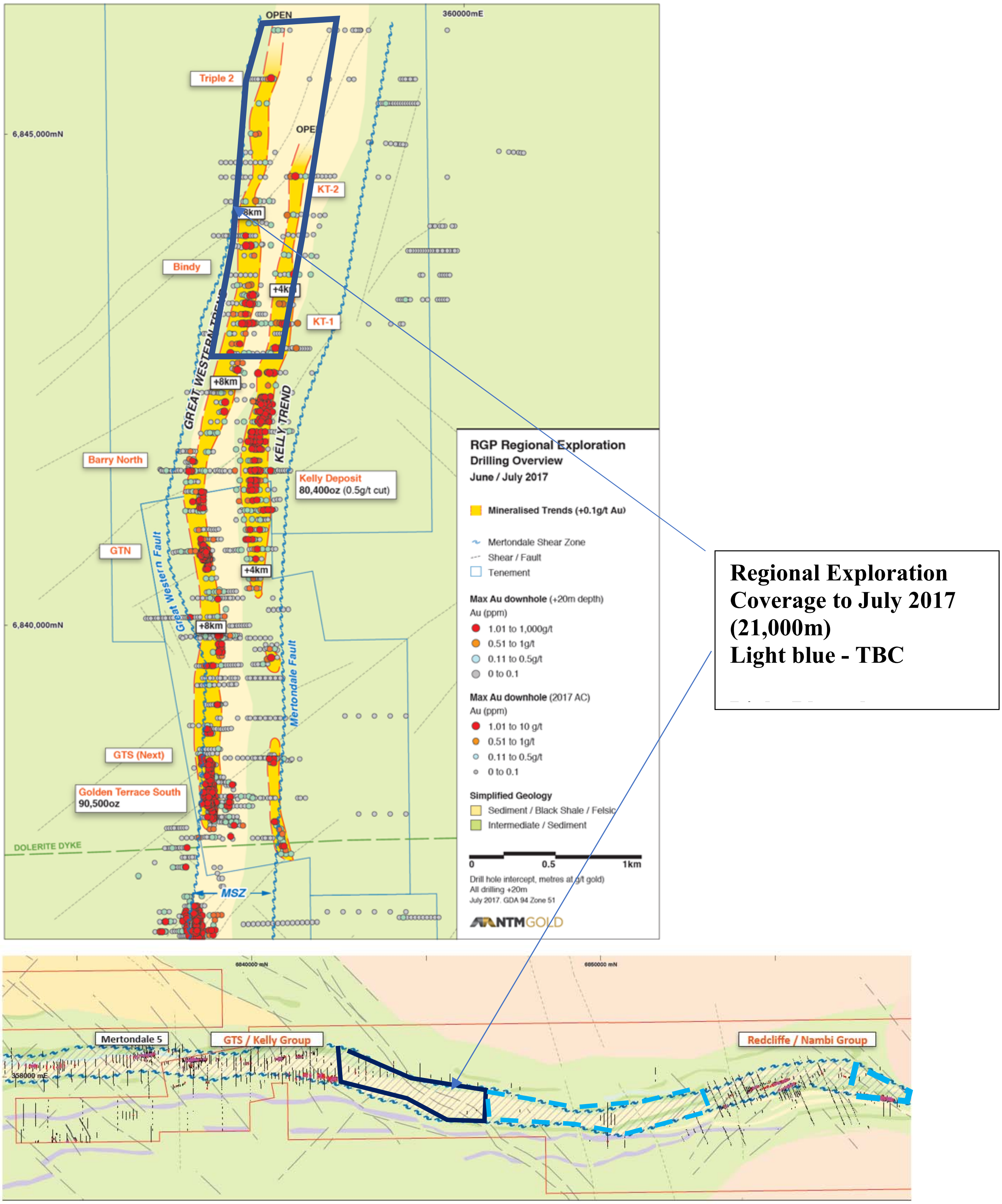
- The Bindy Prospect is over 800m long and up to 120m wide with assays of up to 5.4g/t with several holes ending in +1g/t mineralisation.

- Second zone of parallel gold mineralisation along Kelly Trend now extended to over 4km strike length with aircore assays of up to 5.0g/t again with several holes ending in +1g/t mineralisation.

Further drilling including initial RC testing of the Bindy and KT prospects is planned.

Directors' report (continued)

Review of operations (continued)



Directors' report (continued)

Review of operations (continued)

NTM Gold Limited is at a pivotal stage of development at the Redcliffe Gold Project. Known deposits offer considerable scope to increase current resources whilst regional exploration has quickly identified new target areas showing strong similarities to known deposits. It is anticipated that planned exploration will further advance the Redcliffe Gold Project increasing the current Resource Estimate.

Current Resource Estimate

	Indicated			Inferred			Total		
Deposit	**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
TOTAL	**969,000**	**2.70**	**84,100**	**4,512,000**	**1.33**	**194,000**	**5,480,000**	**1.57**	**278,100**

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

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.

Operating and financial review

Operating results for the year

The operating loss for the Group after income tax was $716,842 (2016: $690,589). The Group has continued to focus on development of its mining tenements during the year. As a result, the operating costs incurred during the year comprised mainly of costs associated with the general administration of the Group, compliance expenses incurred during the year and the impairment of exploration expenditure.

Review of financial condition

During the financial year, the Group utilised funds in the following manner:

- Exploration expenditure incurred on mining tenements;
- Funds for the administration of the Group.

Review of financial position

The Group has cash reserves of $867,685 (2016: $765,832) and a net working capital position of $560,240 (2016: $588,749). The Group continues to be well placed to develop the business opportunities and conduct current activities however is required to secure additional funding to continue developing its Redcliffe Gold Project. The financial statements have been prepared on a going concern basis as the Directors are confident in the Group's ability to raise additional capital and manage discretionary spending. Refer Note 2(b) for further details.

Cash flows

The cash flows of the Group consisted of:

- Interest income from interest bearing bank accounts;
- Payments in relation to exploration costs;
- Payments in relation to purchase of exploration assets; and
- Payments to Directors, consultants and suppliers.

Directors’ report (continued)

Operating and financial review (continued)

Risk management

The Board takes a pro-active approach to risk management. The Board is responsible for ensuring that risks and also opportunities are identified on a timely basis and the Group’s objectives and activities are aligned with the risks and opportunities identified by the Board. The Group believes that it is crucial for all Board members to be a part of this process and as such has not established a separate risk management committee. Risk management is a recurring agenda item at meetings of the Board.

Share issues

During the year no shares (2016: Nil) were issued on the exercise of options.

Grant of options

No options were issued by the Group during the year.

Summary of shares on issue at reporting date

The Group has the following securities on issue at 30 June 2017:

Security description	Number of securities
Fully paid shares	257,271,244

Except as otherwise set out in this report, the Directors are unaware of any significant changes in the state of affairs or principal activities of the Group that occurred during the year under review.

Significant changes in the state of affairs

- On 5 July 2016, the Company announced restructuring of the Board to reduce remuneration costs.
- On 6 July 2016, the Company announced the sale of the balance of 11,888,889 Treasury Shares to raise approximately $416,000.
- On 7 July 2016, the Company announced that Mr Paul Price was appointed as an Independent Non-Executive Director.
- On 29 July 2016, the Company announced in the Quarterly Activities Report that the Manganese Assets in the Northern Territory are to be divested.
- On 3 August 2016, the Company announced further changes to the Board to appoint Mr Paul Price as Non-Executive Chairman and Mr Rodney Foster as Chief Executive Office. The location of the Registered and Principal Business Office of the Company was also moved to West Perth.
- On 22 September 2016, the Company announced the sale of a 90% interest in Manganese Assets held in the Northern Territory to Yukida Resources Pty Ltd.
- On 8 November 2016, the Company announced that Mr David Ryan and Mr Bruce McFarlane had resigned as directors.
- On 15 December 2016, the Company announced a $2,275,000 funding programme to support exploration work at Redcliffe Gold Project. The funding comprised a placement of 25,500,000 ordinary fully paid shares at a price of $0.05 per share raising $1,275,000 from sophisticated investors and $1,000,000 drilling for equity agreement with Ausdrill Limited.
- On 7 February 2017, the Company announced the issue of 1,250,000 ordinary fully paid shares at a price of $0.06 per share for the provision of consultancy services.
- On 31 March 2017, the Company announced the issue of 2,275,468 ordinary fully paid shares at a price of $0.0723 per share in consideration for drilling services pursuant to the drilling for equity agreement.
- On 23 June 2017, the Company announced the issue of 1,959,633 ordinary fully paid shares at a price of $0.0545 per share in consideration for drilling services pursuant to the drilling for equity agreement.

Directors' report (continued)

Operating and financial review (continued)

Significant events after the reporting date

- On 23 August 2017, the Company announced the issue of 3,254,118 ordinary fully paid shares at a price of $0.0431 per share in consideration for drilling services pursuant to the drilling for equity agreement.

- On 30 August 2017, the Company announced the issue of 2,725,992 ordinary fully paid shares at a price of $0.04 per share in consideration for drilling services pursuant to the drilling for equity agreement.

- On 21 September 2017, the Company announced the issue of 25,000,000 fully paid ordinary shares at a price of $0.04 per share to raise $1,000,000 by way of a share placement to sophisticated investors.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

Likely developments and expected results of operations

The Directors are not aware of any developments that might have a significant effect on the operations of the Group in subsequent financial years not already disclosed in this report.

Environmental regulation

The Group's environmental obligations are regulated under both State and Federal law. All environmental performance obligations are monitored by the Board and subjected from time to time to Government agency audits and site inspections. The Group has a policy of at least complying with, but in most cases exceeding, it's statutory environmental performance obligations. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2017.

Remuneration report (audited)

This Remuneration Report outlines the Director and executive remuneration arrangements of NTM Gold Limited in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purpose of this report Key Management Personnel ("KMP") of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

Names and positions held of key management personnel in office at any time during the financial year

Directors

Mr Rodney Foster	Chief Executive Officer, Director (Non-Executive) – appointed as Non-Executive Director on 8 April 2016, Chairman on 27 June 2016 to 3 August 2016, Chief Executive Officer on 3 August 2016
Mr Paul Price	Chairman, Non-Executive Director - appointed as Non-Executive Director on 7 July 2016 and Chairman on 3 August 2016
Mr Lloyd Jones	Non-Executive Director – appointed as Non-Executive Director on 14 February 2011, Executive Managing Director from 20 June 2011 to 30 June 2016
Mr David Ryan	Director (Non-Executive) – appointed as Non-Executive Director on 14 February 2011, Resigned 8 November 2016.
Mr Bruce McFarlane	Director (Non-Executive) – appointed as Non-Executive Director on 8 April 2016, Chairman from 8 April 2016 to 27 June 2016, Resigned 8 November 2016.

Remuneration governance

The Board of Directors of NTM Gold Limited is currently responsible for determining and reviewing compensation arrangements for the Directors and senior executives. The Board's remuneration policy has been implemented to ensure that the remuneration package properly reflects the person's duties and responsibilities, with the overall objective of ensuring goal congruence between Directors, executives and shareholders from the retention of a high quality Board and executive team. The policy seeks to provide remuneration and benefits that encourage high standards of performance and demonstrate the value the Group places on its officers by being equitable, consistent with individual performance and experience, and market competitive. Such officers are given the opportunity to receive their base emolument in a variety of forms. It is intended that the manner of payment chosen will be optimal for the recipient without creating any additional cost to the Group.

Principles used to determine the nature and amount of remuneration

The objective of the Group's remuneration policy for Directors and other Key Management Personnel is to ensure that:
- Remuneration packages properly reflect the duties and responsibilities of the person concerned; and
- Remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Directors' report (continued)

Remuneration report (continued)

The remuneration framework has regard to shareholders' interests by:

- Focusing on sustained growth in share price, as well as focusing the executive on key non-financial drivers of value; and
- Attracting and retaining high calibre executives.

The remuneration framework has regard to executives' interests by:

- Rewarding capability and experience,
- Providing a clear structure for earning rewards,
- Providing recognition for contribution.

Use of remuneration consultants

No remuneration consultants were used by the Group during the 2017 year.

Voting at the group's 2016 Annual General Meeting

The 2016 Remuneration Report tabled at the 2016 Annual General Meeting received a "yes" vote of 99.4%.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution specifies that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was in the constitution adopted on 11 May 2006 which approved an aggregate remuneration of $150,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Director receives a fee for being a Director of the Group. Directors who are called upon to perform extra services beyond the Director's ordinary duties may be paid additional fees for those services.

Non-Executive Directors have long been encouraged by the Board to hold shares in the Group. It is considered good governance for Directors to have a stake in the Group on whose Board he or she sits. The Group considers the granting of options as a long-term variable component of the remuneration of Key Management Personnel as it provides a direct relationship as to increases in shareholders wealth via an increasing share price and the remuneration of individuals. During the year 2017 no cash bonus was paid to Directors (2016: Nil).

The remuneration of Non-Executive Directors for the year ending 30 June 2017 is detailed in the table on page 17 of this report.

Senior executive remuneration

Objective

The Group aims to reward executives and executive Directors with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals of the Group; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board determines appropriate remuneration levels for executive roles based on available information.

Directors' report (continued)

Remuneration report (continued)

Variable remuneration – short term incentives

Objective

Short Term incentives are used to recognise Directors and executives for the achievement of short term goals and successes. At this stage of the Group's life, there are currently no set Key Performance indicators by which short term incentives are measured, and therefore any payments are at the sole discretion of the board. No short term incentives of variable remuneration were paid to Key Management Personnel for 2017 and 2016.

The Group does not currently have a policy for limiting the level of at risk (incentive) remuneration.

Variable remuneration – long term incentives

Objective

The objectives of long term incentives are to:

- Recognise the ability and efforts of the Directors, employees and consultants of the Group who have contributed to the success of the Group and to provide them with rewards where deemed appropriate;
- Provide an incentive to the Directors, employees and consultants to achieve the long term objectives of the Group and improve the performance of the Group; and
- Attract persons of experience and ability to employment with the Group and foster and promote loyalty between the Group and its Directors, employees and consultants

Structure

Long term incentives granted to senior executives has and will be delivered in the form of options issued under an Employee Share Option Plan adopted during prior financial years.

Group performance

It is not possible at this time to evaluate the Group's financial performance using generally accepted measures such as profitability, total shareholder return or peer Group comparison as the Group is at a very early stage in the implementation of the corporate strategy. Shareholder wealth is the only evaluation at this stage. This assessment will be developed over the next few years.

	2013	**2014**	**2015**	**2016**	**2017**
	$	**$**	**$**	**$**	**$**
Revenue	26,699	123,081	144,602	16,741	65,318
Net Loss	(1,543,178)	(3,790,869)	(539,176)	(690,589)	(716,842)
Share price at year end	0.035	0.011	0.017	0.038	0.045
(Loss) per share (cents)	(1.48)	(3.77)	(0.53)	(0.50)	(0.29)

Short term incentive to performance

The objective of the shorter term incentive plan is to reward executives in a manner which aligns reward with the creation of shareholder wealth. As such this reward is only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Group's performance.

Long term incentive to performance

The objective of the long term incentive plan is to reward executives in a manner which aligns reward with the creation of shareholder wealth. As such this reward is only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Group's performance.

Long term incentives are delivered in the form of options. The strike price of options is determined so as to ensure that the options only have value if there is an increase in shareholder wealth over time.

The Group has no policy on executives and Directors entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

Directors' report (continued)

Remuneration report (continued)

Employment contracts

Executives

On appointment, all executives sign an employment agreement setting forth the terms of their employment. The following are the details of the current executive service contracts:

Lloyd Jones
Term of Agreement
Mr Jones' Managing Director contract came to an end on 30 June 2016 and his base salary of $180,000 ceased. During the 2017 year, Mr Jones continued as a Non-Executive Director.

Non-executives

Upon appointment, Non-Executive Directors enter into a contract for services setting out the terms and conditions including the discharge of their duties in accordance with the Constitution of the Company and the Corporations Act and the circumstances under which they will cease to be a director. Non-Executive Directors receive a fee of $36,000 per annum commencing from their date of appointment.

Remuneration of key management personnel

Table 1: Remuneration for the year ended 30 June 2017

	Fixed remuneration					Total	Fixed remuneration	At risk – LTI
	Salary & fees	Non-monetary benefits	Annual leave and long service leave	Post employment	Share based payments			
	$	$	$	$	$	$	%	%
Non-Executive Directors								
R Foster	36,000	-	-	-	-	36,000	100%	-
P Price	35,250	-	-	-	-	35,250	100%	-
L Jones[1]	46,953	-	-	4,460	-	51,413	100%	-
D Ryan *	11,689	-	-	1,111	-	12,800	100%	-
B McFarlane *	9,800	-	-	-	-	9,800	100%	-
Total	**139,692**	**-**	**-**	**5,571**	**-**	**145,263**		

1. Includes payments totalling $15,413 for work undertaken in addition to Directors Fees.
* Resigned on 8 November 2016.

Table 2: Remuneration for the year ended 30 June 2016

	Fixed remuneration					Total	Fixed remuneration	At risk – LTI
	Salary & fees	Non-monetary benefits	Annual leave and long service leave	Post employment	Share based payments			
	$	$	$	$	$	$	%	%
Non-Executive Directors								
R Foster	9,000	-	-	-	-	9,000	100%	-
D Ryan	32,877	-	-	3,123	-	36,000	100%	-
B McFarlane	9,000	-	-	-	-	9,000	100%	-
G Connell	27,000	-	-	-	-	27,000	100%	-
	77,877	**-**	**-**	**3,123**	**-**	**81,000**		
Executive Directors								
L Jones	165,342	4,386	8,219	15,708	-	193,655	100%	-
	165,342	**4,386**	**8,219**	**15,708**	**-**	**193,655**		
Total	**243,219**	**4,386**	**8,219**	**18,831**	**-**	**274,655**		

Directors' report (continued)

Remuneration report (continued)

Remuneration of key management personnel (continued)

Shareholdings of key management personnel

30 June 2017	*Balance 01 Jul 16*	*Granted as remuneration*	*On exercise of options*	*Net change other*	*Balance 30 Jun 17*
Directors					
R Foster	16,007,524	-	-	1,987,878	17,995,402
P Price	-	-	-	638,181	638,181
L Jones	2,761,942	-	-	-	2,761,942
D Ryan *	282,990	-	-	(282,990)	-
B McFarlane *	-	-	-	-	-
	19,052,456	**-**	**-**	**2,343,069**	**21,395,525**

* Resigned on 8 November 2016.

Compensation options granted during the year ended 30 June 2017

No compensation options were granted to Directors or Executives in the 2017 Financial Year.

Option holdings of key management personnel

30 June 2017	*Balance 01 Jul 16*	*Granted as remune-ration*	*Options exercised*	*Net change / other*	*Balance 30 Jun 17*	*Vested & exercisable*	*Not exercisable*
Directors							
R Foster	-	-	-	-	-	-	-
P Price	-	-	-	-	-	-	-
L Jones *	6,000,000	-	-	(6,000,000)	-	-	-
D Ryan	-	-	-	-	-	-	-
B McFarlane	-	-	-	-	-	-	-
Total	**6,000,000**	**-**	**-**	**(6,000,000)**	**-**	**-**	**-**

* 6,000,000 options owned by Lloyd Jones expired on 1 December 2016.

Other transactions and balances with key management personnel.

Mr R Foster
Fees for Consultancy and Geological Services including Rental and Hire Costs provided by Mr Foster's related entity, Minico Pty Ltd as trustee for the Foster Family Trust of $133,090 (2016: $16,584 excluding GST) were incurred during the year.

An amount of $68,378 (2016: $42,905 excluding GST) being Directors Fees of $9,000 (2016: $9,000 excluding GST), Consultancy Fees of $4,800 (2016: $Nil) and Geological Services including Rental and Hire Costs of $54,578 (2016: $33,905 excluding GST) remained payable at year end.

Mr P Price
Fees for Legal Services provided by Mr Price's related entity, Price Sierakowski of $4,482 were incurred during the year.

Directors Fees of $3,000 remained payable at year end.

Mr L Jones
Directors Fees of $3,000 (2016: $Nil) and Annual Leave entitlements of $Nil (2016: $15,595) remained payable at year end.

There were no other changes to transactions with related parties during the period.

End of audited remuneration report

Directors' report (continued)

Meetings of Directors

The number of meetings of the Directors (including the Audit and Compliance Committee) held during the year and the number of meetings attended by each Director was as follows:

	Board of Directors	
	Number of Directors' meetings attended	**Number of Directors' meetings eligible to attend**
Current Directors		
R Foster	9	9
P Price	9	9
L Jones	9	9
D Ryan	2	2
B McFarlane	2	2

Committee membership

As at the date of this report the current Board has not established an Audit and Risk Management Committee and the full Board attends to matters that would normally be completed by the Committee. As the Group is small scale, has limited resources and does not have an operating business the establishment of an Audit and Risk Management Committee is not warranted

The details of the functions and membership of the Audit and Risk Management Committee are included in the Statement of Corporate Governance Practices.

Indemnification and insurance of Directors and Officers

The Group has entered into Deeds of Indemnity with the Directors indemnifying them against certain liabilities and costs to the extent permitted by law.

The Group has paid premiums totalling $Nil (2016: $Nil) in respect of Directors' and Officers' Liability Insurance and Group Reimbursement policies, which cover all Directors and officers of the Group. The policy conditions preclude the Group from any detailed disclosures.

Corporate governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of NTM Gold Limited adhere to strict principles of corporate governance. The Group's corporate governance statement has been released as a separate document and is located on our website at www.ntmgold.com.au.

Non-audit services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

No fees for non–audit services were paid to the external auditors during the year ended 30 June 2016 or 2017.

Directors' report (continued)

Auditor independence

The Directors received the declaration included on page 21 of this annual report from the auditor of NTM Gold Limited.

Signed in accordance with a resolution of the Directors

Paul Price
Chairman

Perth, Western Australia
22nd day of September 2017

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF NTM GOLD LIMITED

As lead auditor of NTM Gold Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NTM Gold Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 22 September 2017

Financial Statements

For the year ended 30 June 2017

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2017

	Notes	***2017*** ***$***	***2016*** *$*
Interest received	7	**11,775**	16,741
Other income	8	**53,543**	-
Administration expenses		**(71,003)**	(43,324)
Compliance costs		**(259,880)**	(271,357)
Consultants fees		**(208,306)**	(45,000)
Depreciation expense	9(a)	**(8,382)**	(8,763)
Directors fees	9(b)	**(129,850)**	(81,000)
Employee benefits expense		**(9,500)**	(189,269)
Impairment of Exploration and evaluation		**(55,388)**	(15,173)
Investor relations expenses		**-**	(22,064)
Impairment of available-for-sale financial assets		**(5,000)**	(464)
Loss on disposal of non-current assets		**(1,903)**	-
Office accommodation expenses		**(9,636)**	-
Travel expenses		**(21,574)**	(30,789)
Unrealised foreign exchange loss		**(1,738)**	(127)
Loss before income tax		**(716,842)**	(690,589)
Income tax benefit	10	**-**	-
Loss for the year		**(716,842)**	(690,589)
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive loss for the year attributable to owners of NTM Gold Limited		**(716,842)**	(690,589)
Loss per share for loss attributable to the ordinary equity holders of the Group:			
Basic loss per Share (cents per share)	12(b)	**(0.29)**	(0.50)
Diluted loss per Share (cents per share)	12(b)	**(0.29)**	(0.50)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2017

	Notes	2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents	13	**867,685**	765,832
Other receivables	14	**49,177**	5,964
Prepayments	15	**1,173**	986
Total current assets		**918,035**	772,782
Non-current assets			
Exploration and evaluation expenditure	17	**3,387,826**	1,977,540
Plant and equipment	18	**43,920**	54,205
Available-for-sale financial assets	16	**-**	82,491
Total non-current assets		**3,431,746**	2,114,236
Total assets		**4,349,781**	2,887,018
Liabilities			
Current liabilities			
Trade and other payables	19	**357,795**	168,438
Provisions	20	**-**	15,595
Total current liabilities		**357,795**	184,033
Total Liabilities		**357,795**	184,033
Net assets		**3,991,986**	2,702,985
Equity			
Equity attributable to equity holders			
Contributed equity	21	**16,475,389**	14,469,546
Reserves	22	**4,665,277**	4,665,277
Accumulated losses		**(17,148,680)**	(16,431,838)
Total equity		**3,991,986**	2,702,985

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2017

Consolidated	Notes	Contributed equity $	Reserves $	Accumulated losses $	Total $
		Attributable to Owners of NTM Gold Limited			
Balance at 1 July 2015		12,872,562	4,665,277	(15,741,249)	1,796,590
Loss for the year		-	-	(690,589)	(690,589)
Total comprehensive loss		-	-	(690,589)	(690,589)
Transactions with owners in their capacity as owners					
Contributions of equity	21	1,739,713	-	-	1,739,713
Transaction costs	21	(9,951)	-	-	(9,951)
Treasury shares acquired	21	(152,778)	-	-	(152,778)
Treasury shares sold	21	20,000	-	-	20,000
Balance at 30 June 2016		14,469,546	4,665,277	(16,431,838)	2,702,985
Loss for the year		-	-	**(716,842)**	**(716,842)**
Other comprehensive income		-	**-**	**-**	**-**
Total comprehensive loss		-	**-**	**(716,842)**	**(716,842)**
Transactions with owners in their capacity as owners					
Contributions of equity	21	**1,621,316**	**-**	**-**	**1,621,316**
Transaction costs	21	**(31,584)**	**-**	**-**	**(31,584)**
Treasury shares sold	21	**416,111**	**-**	**-**	**416,111**
Balance at 30 June 2017		**16,475,389**	**4,665,277**	**(17,148,680)**	**3,991,986**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2017

	Notes	*2017* $	*2016* $
Cash flows from operating activities			
Payments to suppliers and employees		**(728,008)**	(672,538)
Other income		**100**	-
Interest received		**11,822**	19,380
Net cash outflows used in operating activities	23	**(716,086)**	(653,158)
Cash flows from investing activities			
Payments for exploration and evaluation		**(974,305)**	(528,283)
Loans to other entities		**-**	(208,763)
Payments for merger transaction costs		**-**	(193,380)
Cash acquired on completion of merger		**-**	11,154
Proceeds from disposal on investments		**130,934**	-
Net cash outflows used in investing activities		**(843,371)**	(919,272)
Cash flows from financing activities			
Proceeds from issue of shares		**1,275,000**	599,951
Payments for share issue costs		**(29,801)**	(9,951)
Proceeds from sale of treasury shares		**416,111**	20,000
Repayment of borrowings		**-**	(3,424)
Net cash inflows from financing activities		**1,661,310**	606,576
Net increase / (decrease) in cash and cash equivalents		**101,853**	(965,854)
Cash and cash equivalents at beginning of financial year		**765,832**	1,731,686
Cash and cash equivalents at end of financial year	13	**867,685**	765,832

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 30 June 2017

1 Corporate information

The financial statements of NTM Gold Limited for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Directors on 22nd September 2017.

NTM Gold Limited is a Group limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange Limited. The financial statements include NTM Gold Limited and its subsidiaries (the Group) for 30 June 2017.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of NTM Gold Limited and its subsidiaries that it controlled at any time during the year.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

(i) Compliance with IFRS
The consolidated financial statements of the NTM Gold Limited group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Group
None of the new standards and amendments to standards that are mandatory for the first time for the financial year ended 30 June 2017 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

The Group has not early adopted any new accounting standards.

(iii) Historical cost convention
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets.

(b) Going concern basis

For the year ended 30 June 2017 the Group recorded a loss of $716,842, net cash outflows from operating activities of $716,086 and net working capital of $560,240. Furthermore, the Directors have prepared a cash flow forecast which indicates that the Group would be required to raise funds to provide additional working capital to continue developing its Redcliffe Gold Project.

The ability of the Group to continue as a going concern is dependent on securing additional funding through capital raisings to fund its ongoing exploration commitments and working capital.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report. Subsequent to year end the Group expects to receive additional funds via capital raisings or shareholder support.

2 Summary of significant accounting policies

b) Going concern basis (continued)

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- the Directors are confident in the Group's ability to raise the capital mentioned above due to historical experience in securing funding for ongoing operational requirements, ongoing communications with funding providers and major shareholders; and
- the Directors are also confident they are able to manage discretionary spending to ensure that cash is available to meet debts as and when they fall due.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

(c) Principles of Consolidation

(i) Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of NTM Gold Limited ('company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. NTM Gold Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated 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 the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(ii) Changes in ownership interests
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of NTM Gold Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 Summary of significant accounting policies (continued)

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(e) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(f) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an on-going basis. Debts that are known to be uncollectable are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Group will not be able to collect the debt financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment.

(g) Investments and other financial assets

Classification

The Group classifies its financial assets in the following categories: financial assets are fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

(ii) Available-for-sale financial assets
Available-for-sale financial assets comprising principally marketable securities are non-derivatives that are either designated in this category of not classified in any other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

2 Summary of significant accounting policies (continued)

(g) Investments and other financial assets (continued)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value though profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the Group's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or Group of financial assets is impaired. A financial asset or Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income.

(ii) Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from the equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increase in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed though profit or loss.

2 Summary of significant accounting policies (continued)

(h) Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method. Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest is current and either;

- The exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- Exploration and evaluation activities in the area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Any impairment losses are recognised in the statement of profit or loss and other comprehensive income and are disclosed in note 17, exploration and evaluation.

(i) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the part is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the statement of profit or loss and other comprehensive income as incurred.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the assets as follows:

- Plant and equipment – 5 to 8 years
- Furniture and fittings – 5 to 10 years
- Motor Vehicles – 8 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on unrecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

2 Summary of significant accounting policies (continued)

(j) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Company as a lessee
Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of liability. Finance charges are recognised as an expense in the statement of profit or loss and other comprehensive income.

Capitalised leases assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Lease incentives are recognised in the statement of profit or loss and other comprehensive income as an integral part of the total lease expense.

(k) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and values in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or Group of assets (Cash-generating units). Non-financial assets that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(l) Trade and other payables

Trade payables and other payables are carried at amortised costs. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Provisions and employee leave benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

Employee Leave benefits
(i)Wages, salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of the employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave
The liability for long service leave is recognised and measured as the present value of expected payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

2 Summary of significant accounting policies (continued)

(n) Share-based payment transactions

(i) Equity settled transactions:
The Group provides benefits to its employees (including Key Management Personnel) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the market price of the shares of NTM Gold Limited.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of profit or loss and other comprehensive income is the product of (i) the grant date of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employees turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the statement of profit or loss and other comprehensive income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vested than were originally expected to do so. Any award subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share based payment arrangements, or is otherwise beneficial to the employee, as measured at the date of modification.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(o) Contributed Equity

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.

(p) Interest income

Interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through life of the financial asset to the net carrying amount of the financial asset.

2 Summary of significant accounting policies (continued)

(q) Income tax and other taxes

Tax Consolidation

The Company and its 100% owned subsidiaries have formed a tax consolidated group. The head entity of the tax consolidated group is NTM Gold Limited.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities based in the current year's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Reporting Date.

Deferred income tax is provided on all temporary differences at the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit not taxable profit or loss; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint venture, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each Reporting Date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each Reporting Date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Reporting Date.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Other taxes

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 Statement of Financial Position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

2 Summary of significant accounting policies (continued)

(r) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the Group, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Group, adjusted for:

- Costs of servicing equity (other than dividends);
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares;
- Divided by the weighted average number of ordinary shares and dilutive potential ordinary shares adjusted for any bonus element.

(s) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017 and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 9 Financial Instruments

AASB 9, published in July 2014, replaces the existing guidance in AASB 39 *Financial Instruments: Recognition and Measurement*. AASB 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from AASB 39.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Group is assessing the potential impact on its consolidated financial statements resulting from the application of AASB 9. The revisions to the classification and measurement requirements and hedging changes are not currently expected to have a significant impact to the Group. Changes in relation to the expected credit loss model for calculating impairment on financial assets are not expected to have a material impact based on the short-term nature of the Group' s assets.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 18 *Revenue*, AASB 11 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes*.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Group is assessing the potential impact on of this standard on its consolidated financial statements resulting from the application of AASB 15. The Group does not currently have any revenue so there will not be a material impact.

AASB 16 Leases

The key feature of AASB 16 for (lease accounting) are as follows:

- Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.
- A lessee measures right-of-use asset similarly to other non-financial assets and lease liabilities similar to other financial liabilities.
- Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-lined payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

AASB 16 contains disclosure requirements for lessees and is effective for annual reporting periods beginning on 1 January 2019, with early adoption permitted. The Group is assessing the potential impact on of this standard on its consolidated financial statements resulting from the application of AASB 16, which has not yet been finalised.

3 Financial risk management objectives and policies

The Group's principal financial instruments comprise cash, term deposits and short-term deposits. The Group has various other financial assets and liabilities such as equity investments, trade receivables and trade payables.

The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. The Board reviews and agrees policies for managing each of these risks as summarised below. Also refer to note 26 for an analysis of these risks.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty will not complete its obligations under a financial instrument resulting in a financial loss for the Group. Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits with banks, outstanding receivables and committed transactions. The Group does not generally obtain collateral or other security to support financial instruments subject to credit risk, but adopts a policy of only dealing with credit worthy counterparties.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

(b) Liquidity risk

The Group's liquidity position is managed to ensure sufficient liquid funds are available to meet its financial obligations in a timely manner. The Group continuously monitors forecast and actual cash flows and the maturity profiles of financial assets and financial liabilities to manage its liquidity risk. The contractual maturity of trade and other payables is 60 days.

(c) Market risk

(i) Interest rate risk

Interest rate risk arises primarily from the entities short-term cash deposits. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash assets held primarily in short term cash deposits. The Board monitors its cash balance on an ongoing basis and liaises with its financiers regularly to mitigate cash flow interest rate risk.

(ii) Price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified in the Statement of Financial Position either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. The objective of price risk management is to manage and control price risk exposures within acceptable parameters, while optimising the return.

The Group has no policy for mitigating potential adversities associated with its own equity risk given its dependence on market fluctuations. In relation to equity price risk arising on other investment balances, the Group regularly reviews the prices to ensure a maximum return.

4 Significant accounting judgements, estimates and assumptions

In applying the Group's accounting policies, management continually evaluates, estimates and makes assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the estimates and assumptions. Significant estimates and assumptions made by management in the preparation of these financial statements are outlined below:

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

4 Significant accounting judgements, estimates and assumptions (continued)

(a) Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Exploration and evaluation is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

The Group follows the guidance of AASB 6 *Exploration for and Evaluation of Mineral Resources* to determine when capitalised exploration and evaluation expenditure is impaired. At the end of the reporting period the Group assessed that certain expenditure relating to tenements should be written off together with other exploration related costs. As a result, exploration costs of $55,388 (2016: $15,173) have been written off during the year.

(b) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black Scholes model.

(c) Impairment of available-for-sale financial asset

The Group assesses its equity investments classified as available-for-sale to determine if there is objective evidence of impairment. As a result of this assessment an impairment loss of $5,000 (2016: $464) has been recognised in the statement of profit or loss and other comprehensive income.

(d) Recognition of deferred tax assets

The group has not recognised a deferred tax asset for tax losses as the group does not believe it probable to be recovered by future taxable income in the short-term future.

5 Segment information

The Directors (who are the chief decision makers) have determined the Group has one reportable segment, being mineral exploration in Australia. As the Group is focused on mineral exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

6 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy noted in Note 2 (c)(i).

Name of entity	**Country of incorporation**	**Class of shares**	**2017 %**	2016 %
Reflective Minerals Pty Ltd	Australia	Ordinary	100	100
North Manganese Pty Ltd	Australia	Ordinary	100	100
Redcliffe Resources Limited	Papua New Guinea	Ordinary	100	100
Pacrim (PNG) Pty Ltd	Papua New Guinea	Ordinary	100	100

	2017 $	*2016 $*
7 Interest received		
Interest revenue	**11,775**	16,741
	11,775	16,741
8 Other income		
Proceeds on disposal of mineral interests	**100**	-
Net gain on sale of available-for-sale financial assets	**53,443**	-
	53,543	-
9 Expenses		
(a) Depreciation		
Depreciation	**8,382**	8,763
	8,382	8,763
(b) Directors fees included in statement of profit or loss and other comprehensive income		
Director fees	**125,616**	77,877
Superannuation costs	**4,234**	3,123
	129,850	81,000
10 Income tax		
(a) The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss from continuing operations before income tax expense	**(716,842)**	(690,589)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2016: 30%)	**(215,053)**	(207,177)
Add tax effect of:		
Tax losses and timing differences not brought to account	**215,053**	207,177
Income tax benefit	**-**	-

10 Income tax

(b) Deferred income tax at 30 June relates to the following

	2017 ***$***	*2016* *$*
Deferred tax liabilities:		
Exploration and evaluation expenditure	**(619,153)**	(108,561)
Accrued interest income	**-**	(14)
Prepayments	**(352)**	(296)
Deferred tax asset netted off against deferred tax liability	**619,505**	108,871
	-	-
Deferred tax assets:		
Accrued audit fees	**8,918**	11,250
Employee Provisions	**-**	4,679
Capital raising costs	**13,074**	8,845
Available-for-sale financial assets	**-**	334,081
Tax losses	**8,849,983**	3,788,312
Tax asset utilised to offset deferred tax liability	**(619,505)**	(108,871)
Deferred tax asset not recognised	**(8,252,470)**	(4,038,296)
	-	-
Net deferred tax assets/(liabilities)	**-**	-

The Group has tax losses of $29,499,942 (2016: $12,627,707), including losses transferred on acquisition of Redcliffe Resources Limited that are available indefinitely for offset against future taxable profits of the Group. The recoupment of available tax losses as at 30 June 2017 is contingent upon the following:

(i) The Group deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
(ii) The conditions for deductibility imposed by tax legislation continuing to be complied with; and
(iii) There being no changes in tax legislation which would adversely affect the Group from realising the benefit from the losses.

11 Dividends paid and proposed

No dividends in respect of the current financial year have been paid, declared or recommended for payment.

12 Loss per share

(a) Loss used in calculating loss per share

	2017 ***$***	*2016* *$*
For basic and diluted loss per share:		
Loss attributable to owners of NTM Gold Limited	**(716,842)**	(690,589)

Given the operating losses, the outstanding options are not considered dilutive. As a result, diluted loss per share equals basic loss per share.

(b) Weighted average number of shares

	2017 ***Number***	*2016* *Number*
Weighted average number of ordinary shares used in calculating basic and diluted loss per share.	**243,385,437**	137,930,105
Basic and diluted loss per share (cents per share)	**(0.29)**	(0.50)

(c) Information on the classification of securities

(i) Options
Nil options (2016: 6,000,000) issued pursuant to offers made under disclosure documents and are considered to be potential ordinary shares but have not been included in the calculation of earnings per share as they are not dilutive.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

	2017 $	*2016 $*

13 Cash and cash equivalents

	2017 $	*2016 $*
Cash at bank and in hand	**867,685**	765,832
	867,685	765,832

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and six months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

14 Other receivables

	2017 $	*2016 $*
GST receivable	**49,177**	5,917
Other	**-**	47
	49,177	5,964

15 Prepayments

	2017 $	*2016 $*
Prepaid insurance premiums	**1,173**	986
	1,173	986

16 Available-for-sale financial assets

	2017 $	*2016 $*
Listed equity securities:		
Balance at beginning of the year	**82,491**	82,955
Proceeds from sale of equity securities	**(130,934)**	-
Gain recognised in profit or loss as other income, being reclassified from other comprehensive income on sale	**53,443**	-
Impairment of available-for-sale financial assets	**(5,000)**	(464)
At 30 June	**-**	82,491

17 Exploration and evaluation

	2017 $	*2016 $*
Balance at beginning of the year	**1,977,540**	-
Acquisition of Redcliffe Gold Project - 51% interest	**-**	415,076
Acquisition of Redcliffe Gold Project - Scheme of Arrangement	**-**	1,281,385
Acquisition of additional tenements	**6,637**	8,325
Expenditure incurred	**1,459,037**	287,927
Expenditure written off	**(55,388)**	(15,173)
At 30 June	**3,387,826**	1,977,540

The ultimate recoverability of the Group's areas of interest is dependent on the successful discovery and commercialisation of the project.

The Group follows the guidance of AASB 6 Exploration for and Evaluation of Mineral Resources to determine when capitalised exploration and evaluation expenditure is impaired. At the end of the reporting period the Group assessed that expenditure relating to tenements in the Groote Eylandt and Blue Mud Bay projects that were under veto or in application should be written off together with other exploration related costs. As a result, exploration costs of $55,388 (2016: $15,173) have been written off during the year.

Refer to note 4(a) for further details.

18 Plant and equipment

	2017 $	*2016 $*
Plant and equipment at cost	**64,034**	64,034
Disposals	**(2,330)**	-
Accumulated depreciation	**(31,233)**	(29,603)
Net carrying amount	**30,471**	34,431
At July 1, net of accumulated depreciation	**34,431**	5,890
Additions	**-**	31,386
Disposals	**(81)**	-
Depreciation charge for the year	**(3,879)**	(2,845)
As at 30 June, net of accumulated depreciation	**30,471**	34,431
Furniture & fittings at cost	**2,769**	2,769
Disposals	**-**	-
Accumulated depreciation	**(812)**	(595)
Net carrying amount	**1,957**	2,174
At July 1, net of accumulated depreciation	**2,174**	2,416
Additions	**-**	-
Disposals	**-**	-
Depreciation charge for the year	**(217)**	(242)
As at 30 June, net of accumulated depreciation	**1,957**	2,174
Motor vehicles at cost	**62,624**	62,624
Accumulated depreciation	**(51,132)**	(47,301)
Net carrying amount	**11,492**	15,323
At July 1, net of accumulated depreciation	**15,323**	20,430
Additions	**-**	-
Disposals	**-**	-
Depreciation charge for the year	**(3,831)**	(5,107)
As at 30 June, net of accumulated depreciation	**11,492**	15,323
Professional library at cost	**5,091**	5,091
Disposals	**(5,091)**	-
Accumulated depreciation	**-**	(2,814)
Net carrying amount	**-**	2,277
At July 1, net of accumulated depreciation	**2,277**	2,846
Additions	**-**	-
Disposals	**(1,822)**	-
Depreciation charge for the year	**(455)**	(569)
As at 30 June, net of accumulated depreciation	**-**	2,277
Total of all plant and equipment at cost	**134,518**	134,518
Disposals	**(7,421)**	-
Accumulated depreciation	**(83,177)**	(80,313)
Net carrying amount	**43,920**	54,205
At July 1, net of accumulated depreciation	**54,205**	31,582
Additions	**-**	31,386
Disposals	**(1,903)**	-
Depreciation charge for the year	**(8,382)**	(8,763)
As at 30 June, net of accumulated depreciation	**43,920**	54,205

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

		2017 *$*	*2016* *$*
19	**Trade and other payables**		
	Trade payables (a)	**357,795**	91,866
	Other payables (b)	**-**	76,572
		357,795	168,438

(a) Trade payables are non-interest bearing and are normally settled on 30 – 60 day terms.

(b) Other payables are non-trade payables, are non-interest bearing and have an average term of 3 months.

		2017 *$*	*2016* *$*
20	**Provisions**		
	Employee Entitlements	**-**	15,595

		2017 Shares	2016 Shares	**2017 $**	2016 $
21	**Contributed equity**				
	Ordinary shares				
	Issued and fully paid	**257,271,244**	214,397,257	**16,475,389**	14,469,546
	Total contributed equity	**257,271,244**	214,397,257	**16,475,389**	14,469,546

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	Shares	*$*
(i) Movement in ordinary shares on issue		
At 1 July 2015	103,328,307	12,872,562
18 August 2015 Shares issued in part consideration for 51% interest in mining leases and prospecting licenses.	13,888,889	138,889
20 August 2015 Shares issued in lieu of professional services	332,579	6,652
5 April 2016 Shares issued under scheme of arrangement	86,443,001	950,873
5 April 2016 Acquisition of shares	(13,888,889)	(152,778)
14 April 2016 Shares issued in lieu of scheme of arrangement Success Fee	5,000,000	40,000
14 April 2016 Shares issued in lieu of professional services	150,513	3,348
13 June 2016 Shares issued to sophisticated investors	17,142,857	599,951
17 June 2016 Disposal of shares	2,000,000	20,000
Capital raising costs incurred	-	(9,951)
At 30 June 2016	214,397,257	14,469,546
7 to 12 July 2016 Disposal of shares *	**11,888,889**	**416,111**
9 November 2016 Shares issued to sophisticated investors	**25,500,000**	**1,275,000**
7 February 2017 Shares issued in lieu of professional services	**1,250,000**	**75,000**
31 March 2017 Shares issued in lieu of drilling services	**2,275,468**	**164,516**
23 June 2017 Shares issued in lieu of drilling services	**1,959,633**	**106,800**
Capital raising costs incurred	**-**	**(31,584)**
At 30 June 2017	**257,271,244**	**16,475,389**

* This relates to the disposal of treasury shares that were acquired in the prior year on acquisition of Redcliffe Resources Limited.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

21 Contributed equity (continued)

Treasury shares are shares in NTM Gold Limited that are held by the Group.

	Notes	***Shares***
(ii) Movement in treasury shares		
At 1 July 2015		-
5 April 2016 Acquisition of shares	19	(13,888,889)
17 June 2016 Disposal of shares		2,000,000
At 30 June 2016		(11,888,889)
7 to 12 July 2016 Disposal of shares		**11,888,889**
At 30 June 2017		**-**

Options

Unlisted Options

No unlisted options to subscribe for ordinary fully paid shares were granted during the year.

No unlisted options to subscribe for ordinary fully paid shares are outstanding at 30 June 2017.

6,000,000 unlisted options lapsed during the 2017 year.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

22 Reserves

(a) Share based payments reserve

	2017 $	*2016 $*
At 1 July 2016	**4,665,277**	4,665,277
Share based payments expense	**-**	-
At 30 June 2017	**4,665,277**	4,665,277

(b) Available-for-sale financial assets reserve

	2017 $	*2016 $*
At 1 July 2016	**-**	-
Gain recognised in other comprehensive income	**53,443**	-
Reclassification to profit or loss - gross	**(53,443)**	-
At 30 June 2017	**-**	-

(c) Nature and purpose of reserves

Share based payments reserve

The share-based payments reserve is used to recognise the fair value of options issued by the Group to eligible executives, employees and contractors as part of their remuneration, or for other goods and services that the Group may choose to settle with options rather than cash.

Available-for-sale financial assets reserve

Changes in the fair value and exchange differences arising on translation of investments that are classified as available-for-sale financial assets (eg. Equities), are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

23 Cash flow reconciliation

Reconciliation of net loss after tax to net cash flows from operations

	2017 ***$***	*2016* *$*
Net loss	**(716,842)**	(690,589)
Adjustments for:		
Net gain on sale of available-for-sale financial assets	**(53,443)**	-
Depreciation	**8,382**	8,763
Impairment of available-for-sale financial assets	**5,000**	464
Loss on disposal of non-current assets	**1,903**	-
Equity settled transactions	**75,000**	10,000
Changes in assets and liabilities		
(Increase) / Decrease in prepayments	**(187)**	45
(Increase) / Decrease in trade and other receivables	**(43,212)**	12,180
Increase in trade and other payables	**7,313**	5,979
Net cash outflow from operating activities	**(716,086)**	(653,158)
Non-cash financing and investing activities		
Shares issued for drilling services	**271,316**	-
Non-cash transactions		
Share issued in lieu of professional services	**75,000**	10,000

24 Related parties

(a) Compensation of key management personnel

	2017 ***$***	*2016* *$*
Short-term employee benefits	**139,692**	255,824
Post-employment benefits	**5,571**	18,831
	145,263	274,655

Detailed remuneration disclosures are provided in the remuneration report on pages 14 to 18.

(b) Other transactions and balances with related parties

Mr R Foster
Fees for Consultancy and Geological Services including Rental and Hire Costs provided by Mr Foster's related entity, Minico Pty Ltd as trustee for the Foster Family Trust of $133,090 (2016: $16,584 excluding GST) were incurred during the year.

An amount of $68,378 (2016: $42,905 excluding GST) being Directors Fees of $9,000 (2016: $9,000 excluding GST), Consultancy Fees of $4,800 (2016: $Nil) and Geological Services including Rental and Hire Costs of $54,578 (2016: $33,905 excluding GST) remained payable at year end.

Mr P Price
Fees for Legal Services provided by Mr Price's related entity, Price Sierakowski of $4,482 were incurred during the year.

Directors Fees of $3,000 remained payable at year end.

Mr L Jones
Directors Fees of $3,000 (2016: $Nil) and Annual Leave entitlements of $Nil (2016: $15,595) remained payable at year end.

There were no other changes to transactions with related parties during the period.

(c) Parent entities

NTM Gold Limited is the ultimate Australian parent entity and ultimate parent of the Group.

(d) Subsidiaries

Interest in subsidiaries are set out in note 6.

25 Share based payments

Share based payment transactions are recognised at fair value in accordance with AASB 2.

The total movement arising from share based payment transactions recognised during the year were as follows:

	2017	*2016*
	$	*$*
As part of administration expenses:		
Shares issued in lieu of Professional Services	**75,000**	10,000
Capitalised to Statement of financial position:		
Shares issued under Scheme of Arrangement	**-**	950,873
Shares issued for drilling services	**271,316**	-
	346,316	960,873

Share based payment plans

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the year and the prior period:

	30 June 2017 No.	30 June 2017 Weighted average exercise price	30 June 2016 No.	30 June 2016 Weighted average exercise price
Outstanding at the beginning of the period	**6,000,000**	**$0.20**	6,000,000	$0.20
Granted during the period	**-**	**-**	-	-
Expired during the period	**(6,000,000)**	**$0.20**	-	-
Outstanding at the end of the period	**-**	**-**	6,000,000	$0.20
Exercisable at the end of the period	**-**	**-**	-	-

The outstanding balance as at 30 June 2016 was represented by:

- 6,000,000 options over ordinary shares with an exercise price of $0.20 each, exercisable until 1 December 2016.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2017 is Nil (2016: 0.42 years).

26 Financial risk management

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Details of the above risks are disclosed at note 3 to the financial statements.

(a) Credit risk

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2017	*2016*
	$	*$*
Cash and cash equivalents	**867,685**	765,832
Available-for-sale financial assets	**-**	82,491
	867,685	848,323

All cash and cash equivalents are held with AA rated financial institutions.

(b) Liquidity risk

The following are the earliest contractual maturities of financial liabilities:

Consolidated 30 June 2017	**Carrying amount**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-interest bearing						
Trade and other payables	**357,795**	**357,795**	**-**	**-**	**-**	**-**
	357,795	**357,795**	**-**	**-**	**-**	**-**

Consolidated 30 June 2016	**Carrying amount**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-interest bearing						
Trade and other payables	168,438	168,438	-	-	-	-
Provisions	15,595	15,595	-	-	-	-
	184,033	184,033	-	-	-	-

(c) Market risk

(i) Interest rate risk

The Group's exposure to interest rate risk is set out below:

	2017 Floating interest rate $	2016 Floating interest rate $	**2017 Fixed interest rate $**	2016 Fixed interest rate $
Financial assets				
Cash and cash equivalents	**867,685**	623,467	**-**	142,365
Weighted average effective interest rate	**0.586%**	1.166%	**-**	2.00%
Financial liabilities				
Borrowings	**-**	-	**-**	-
Weighted average effective interest rate	-	-	**-**	-

26 Financial risk management (continued)

(c) Market risk (continued)
(i) Interest rate risk (continued)

Interest on financial instruments classified as floating rate is repriced at intervals of less than a year. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The table below details the interest rate sensitivity analyses of the Group at the reporting date, holding all other variables constant. A 50 basis point favourable (+) and unfavourable (-) change is deemed to be a possible change and is used when reporting interest rate risk.

		Post tax effect on:		Post tax effect on:	
Risk variable	**Sensitivity***	**Profit 2017**	**Equity 2017**	Profit 2016	Equity 2016
Interest Rate	+0.50%	**4,338**	**-**	3,915	-
	-0.50%	**(4,338)**	**-**	(3,915)	-

* The method used to arrive at the possible change of 50 basis points was based on the analysis of the absolute nominal change of the Reserve Bank of Australia (RBA) monthly issued cash rate.

(ii) Equity price risk

In relation to the available-for-sale financial assets, the Group have used an equity price change of 25% upper and lower representing a reasonable possible change based upon the Group's historic share price volatility over the last 12 months.

	Profit or loss 25% decrease	***Equity 25% increase***
30 June 2017		
Available-for-sale financial assets	**-**	**-**
Sensitivity (net)		
30 June 2016		
Available-for-sale financial assets	(20,623)	20,623
Sensitivity (net)		

(d) Fair values

Fair values versus carrying amounts

Cash and cash equivalents
The carrying amount is fair value due to the liquid nature of these assets.

Other receivables
Due to the short-term nature of these financial rights, their carrying amounts are deemed to represent their fair values.

Available-for-sale financial assets
The available-for-sale financial assets have been impaired down to its fair value therefore there is no difference between its fair value and carrying value.

26 Financial risk management (continued)

(d) Fair values (continued)

Fair values versus carrying amounts

The following table classifies financial instruments recognised in the statement of financial position of the Group according to the hierarchy stipulated in AASB 7 as follows:

(a) Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2 – a valuation technique is used using inputs other than quoted prices within Level 1 that are observable for the financial instrument either directly (ie. as prices) or indirectly (ie. derived from prices); or
(c) Level 3 – a valuation technique is used using inputs that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
Fair value through profit or loss				
2017				
Available-for-sale financial assets:				
Listed equity securities	-	-	-	-
2016				
Available-for-sale financial assets:				
Listed equity securities	82,491	-	-	82,491

The fair value of financial instruments traded in active markets is based upon quoted market prices at the end of the reporting period. The quoted market price is the bid price which is included in Level 1.

27 Commitments and contingencies

Other expenditure commitments

Expenditure commitments at 30 June 2017 but not recognised as liabilities are as follows:

Exploration expenditure commitment

	2017	*2016*
	$	*$*
Within one year	**515,817**	476,951
After one year but not more than five years	**1,816,868**	1,816,868
More than five years	**4,187,258**	4,643,942
	6,519,943	6,937,761

Contingencies

The Group has no material contingent assets and liabilities.

28 Events after the reporting date

- On 23 August 2017, the Company announced the issue of 3,254,118 ordinary fully paid shares at a price of $0.0431 per share in consideration for drilling services pursuant to the drilling for equity agreement.
- On 30 August 2017, the Company announced the issue of 2,725,992 ordinary fully paid shares at a price of $0.04 per share in consideration for drilling services pursuant to the drilling for equity agreement.
- On 21 September 2017, the Company announced the issue of 25,000,000 fully paid ordinary shares at a price of $0.04 to raise $1,000,000 by way of a share placement to sophisticated investors.

No other matter or circumstance has arisen since 30 June 2017 which has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

29 Auditors' remuneration

	2017 $	*2016* $
Amounts received or due and receivable for:		
An audit and review of the financial report of the Group by BDO Audit (WA) Pty Ltd	**36,158**	35,002
Total Remuneration of Auditors	**36,158**	35,002

30 Parent entity disclosures

The following details information related to the entity, NTM Gold Limited, at 30 June 2017. The information presented here has been prepared using consistent accounting policies as presented

	2017 $	*2016* $
Financial position		
Assets		
Current assets	**905,480**	782,242
Non-current assets	**2,854,475**	1,908,320
Total Assets	**3,759,955**	2,690,562
Liabilities		
Current liabilities	**665,047**	120,355
Non-current liabilities	**-**	-
Total Liabilities	**665,047**	120,355
Equity		
Contributed equity	**16,475,389**	14,469,546
Reserve	**4,665,277**	4,665,277
Accumulated losses	**(18,045,758)**	(16,564,616)
Total equity	**3,094,908**	2,570,207
Financial performance		
Loss for the year	**(1,481,142)**	(823,367)
Other comprehensive income	**-**	-
Total comprehensive loss	**(1,481,142)**	(823,367)

Directors' declaration

The Directors of the group declare that:

1 The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001 and:

   (a) Comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) Give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Group and the consolidated entity.

2 In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3 The Directors have been given the declarations by the Managing Director required by section 295A.

4 The consolidated entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Paul Price
Chairman

Perth, Western Australia
22nd day of September 2017

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INDEPENDENT AUDITOR'S REPORT

To the members of NTM Gold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NTM Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. These matters were 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 these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for exploration and evaluation assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2017 the carrying value of the exploration and evaluation asset was $3,387,826 (2016: $1,977,540) as disclosed in Note 17. As the carrying value of the exploration and evaluation asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.	Our procedures included, but were not limited to: • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Obtaining a schedule of areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; and • Considering whether any other facts or circumstances existed to indicate impairment testing was required. We have also assessed the adequacy of the related disclosures in Note 17 of the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 this 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 (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_files/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 18 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of NTM Gold Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

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

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 22 September 2017

ASX additional information

Additional information required by the Australian Stock Exchange Ltd Listing Rules and not disclosed elsewhere in this report is as follows. The information is current as at 31st August 2017.

Distribution of equity holdings

	Class of Equity Security	
	Number of Holders	Fully Paid Ordinary Shares
1 – 1,000	215	100,481
1,001 – 10,000	377	1,034,813
10,001 – 100,000	245	1,949,104
100,001 – 1,000,000	637	25,945,372
1,000,001 and over	252	234,221,587
	1,726	263,251,357

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There were 900 Shareholders holding less than a marketable parcel.

Twenty largest shareholders

Name of Holder	No. of Ordinary Shares Held	Percentage of Issued Capital %
Ausdrill International Pty Ltd	13,715,319	5.21
Mr Edward Van Heemst + Mrs Marilyn Elaine Van Heemst <Lynward Super Fund>	13,500,000	5.13
Mr Garry Patrick Connell + Mrs Devryn Lee Connell <Connell Contractors S/F A/c>	13,000,000	4.94
Suncity Corporation Pty Limited	11,756,001	4.47
Minico Pty Ltd	11,539,911	4.38
L & M Group Limited	10,000,000	3.80
Mr Alban Horst Hasslinger	9,696,676	3.68
Shagay Pty Ltd + T/A Western Meat Packers <Shagay Unit A/c>	9,035,206	3.43
K Biggs Enterprises Pty Ltd	7,196,006	2.73
Trucking Nominees Pty Ltd <D J Reed Super Fund A/c>	4,850,000	1.84
Busang No 3 Pty Ltd <Goyne Superannuation Fund>	4,207,174	1.60
All States Finance Pty Limited	4,000,000	1.52
Mr Rodney Foster + Mrs Debra Foster <R & D Foster Super Fund A/c>	3,890,909	1.48
Citicorp Nominees Pty Limtied	3.466.786	1.32
On Site Laboratory Services Pty Ltd	3,437,333	1.31
Font SF Pty Ltd <Fontanalice Pty Ltd>	3,200,000	1.22
Ajava Holdings Pty Ltd	3,000,000	1.14
BLP (WA) Pty Ltd <EWH Superannuation Fund A/c>	2,900,000	1.10
Mr Jean-Pierre Aucoin	2,680,912	1.02
RM Corporate Pty Ltd <Investment A/c>	2,586,086	0.98
Total	**137,658,319**	**52.29**

ASX additional information

Substantial shareholders

The names of substantial shareholders who have notified the Group in accordance with section 671B of the Corporations Act 2001 are:

Name of Holder	No. of Ordinary Shares Held	Percentage of Issued Capital %
Ausdrill International Pty Ltd	13,715,319	5.21
Mr Edward Van Heemst + Mrs Marilyn Elaine Van Heemst <Lynward Super Fund>	13,500,000	5.13

Voting rights

All shares carry one vote per share without restriction.

Unlisted options on issue

There are no options issued by the Group which are not listed on the Australian Stock Exchange.

ASX additional information

Mineral tenements held at 31st August 2017:

Groote Eylandt, Northern Territory (NTM 10%)		
Tenement	**Status**	**Tenement Area (km²)**
A28131	Application	196.70
A28132	Application	115.00
A28133	Application	278.50
A28134	Application	772.90
A28135	Application	387.90
EL27521	Application	47.30
EL27522	Application	10.50
OEL28098	Application	1472.00
OEL28099	Application	1615.00
OEL28100	Application	1595.00
OEL28101	Application	1587.00
OEL28102	Application	1603.00
OEL28103	Application	1578.00
OEL28104	Application	1546.00
OEL28105	Application	1613.00
OEL28106	Application	1079.00
Blue Mud Bay, Northern Territory (NTM 10%)		
Tenement	**Status**	**Tenement Area (km²)**
EL28085	Application	1,349.96
EL28086	Application	1,337.84
EL28087	Application	1,192.23
EL28089	Application	4.70
EL28090	Application	1.64
EL28091	Application	7.08
EL28092	Application	2.72
Redcliffe Gold Project, Western Australia (NTM 100%)		
Tenement	**Status**	**Tenement Area (km²)**
M37/1276	Granted	7.80
M37/1285	Granted	5.34
M37/1286	Granted	17.48
M37/1295	Granted	14.97
P37/7948	Granted	0.89
E37/1205	Granted	69.50
P39/5593	Granted	1.46
P39/5401	Granted	0.50
E37/1288	Granted	12.00
E37/1289	Granted	45.00