NMG Corporation Limited
(Formerly Noble Mineral Resources Limited)

ABN 36 124 893 465

ANNUAL FINANCIAL REPORT

30 JUNE 2017

Contents

Corporate information

ABN 36 124 893 465

Directors
Mike Hill – Executive Chairman
Jonathan Pager – Finance Director
Brett Chenoweth - Executive Director
Gregg Taylor - Non-Executive Director (Appointed 11 August 2017)

Company Secretary
Andrew Whitten

Registered Office and Principal Place of Business
Level 29
201 Elizabeth Street
Sydney NSW 2000

Share Registry
Link Market Services Limited
Level 12
QV1 Building
250 St Georges Terrace
Perth, Western Australia, 6000
Investor Enquiries: 1300 554 474
Facsimile: +61 2 9287 0303

Auditor
Stantons International
Level 2
22 Pitt Street
Sydney, NSW, 2000

Solicitors
Whittens & McKeough
Level 29
201 Elizabeth Street
Sydney NSW 2000

Bankers
Westpac Banking Corporation
94 Church Street
Middle Brighton
VIC 3186

Stock Exchange
Securities are listed on the Australian Securities Exchange (ASX)
ASX Code: NMG

Website
http://www.nmglimited.com.au

Directors' report

Your directors submit their Directors' Report and Financial Report for NMG Corporation Limited (formerly Noble Mineral Resources Limited) (the "Company") and its subsidiaries (together the "Consolidated Entity or Group) for the year ended 30 June 2017.

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 period unless otherwise stated.

Name	Particulars
Mike Hill	*Executive Chairman - Appointed 24 December 2015*
Jonathan Pager	*Finance Director - Appointed 24 December 2015*
Brett Chenoweth	*Executive Director - Appointed 24 December 2015*
Gregg Taylor	*Non-Executive Director – Appointed 11 August 2017*
Mike Everett	*Non-Executive Director – Resigned 7 June 2017*

The above named Directors held office during and since the financial year, except as otherwise indicated.

Information on Directors

Mike Hill

Experience and Expertise

Mike has more than 20 years' experience working on corporate and private equity transactions in Australia and the UK. He is a former partner of Ernst & Young in their M&A team and a former partner of Ironbridge, a leading Sydney based private equity firm with $1.5bn of funds under management. Mike worked as a senior member of the investment team at Ironbridge for more than 10 years covering deal assessment, investment management and exit planning across a number of portfolio companies.

Mike has experience across numerous industries where he has served on company boards involved in the technology, retail, healthcare, media, waste services, tourism, hospitality and manufacturing sectors. His involvement with companies in these industries has been to work closely with founders and executive management teams to execute strategic growth objectives.

He is a member of the Institute of Chartered Accountants in Australia.

Other Current Directorships

rhipe Limited (ASX: RHP) (Non–Executive Chairman)
JustKapital Limited (ASX: JKL) (Non-Executive Director)
AHAlife Holdings Limited (ASX: AHL) (Non-Executive Chairman)
HJB Corporation Limited (ASX: HJB) (Chairman)

Directors' report (continued)

Information on Directors (continued)

Former Directorships in the Last Three Years

LiveTiles Limited (ASX: LVT) (Non-Executive Director)
Prime Media Group Limited (ASX: PRT) (Non-Executive Director)

Special Responsibilities

Chairperson

Interests in Shares and Options

- 24,661,000 fully paid ordinary shares
- 15,600,000 unlisted options exercisable at $0.01 per option, expiring on 30 June 2018
- 3,833,334 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expiring on 12 April 2019
- 3,833,334 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expiring on 12 April 2021

Jonathan Pager

Experience and Expertise

Jonathan has over 25 years' experience as a management consultant across a wide range of industries in Australia and overseas, and is currently Managing Director of Pager Partners Corporate Advisory. He has a Masters of Economics and qualified as a chartered accountant with Deloitte, where he commenced his career. He has restructured and listed a range of public companies and been a Director of publicly listed companies involved in the resources and industrial sectors.

Other Current Directorships

UCW Limited (ASX: UCW) (Non-Executive Director)

Former Directorships in the Last Three Years

MOQ Limited (ASX: MOQ) (Non-Executive Director)
AHAlife Holdings Limited (ASX: AHL) (Finance Director)

Special Responsibilities

None

Directors' report (continued)

Information on Directors (continued)

Interests in Shares and Options

- 12,800,000 fully paid ordinary shares
- 3,500,000 unlisted options exercisable at $0.01 per option, expiring on 30 June 2018
- 1,250,000 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expiring on 12 April 2019
- 1,250,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expiring on 12 April 2021

Brett Chenoweth

Experience and Expertise

Brett has 25 years of professional experience in the media, technology, telecommunications and digital sectors. He was most recently the Chief Executive Officer and Managing Director of APN News and Media Limited, prior to which he held senior executive roles at the Silverfern Group (Head of Asia and Managing Director), Telecom New Zealand (including Head of Group Strategy and Mergers & Acquisitions; Head of Australian Consumer Group; Director on a number of TCNZ group company Boards), the Publishing and Broadcasting Limited group (ecorp Ltd and ninemsn Pty Ltd: Head of Business Development) and Village Roadshow Pictures Pty Ltd (General Manager and Vice President).Brett has been a director of a number of private and public companies over the past 15 years in the media, telecommunications, and technology and entertainment sectors, in Australia, New Zealand, Asia and the United States. He is currently Chairman of Yellow Pages Group (NZ), and Chairman of the Advisory Board of H.R.L Morrison & Co. Limited. He is a non-executive director of eftpos Payments Australia Limited and Surfing Australia Limited, Managing Director of HJB Corporation Limited (ASX: HJB) and a Founder and Principal of Bombora Group.

Other Current Directorships

HJB Corporation Limited (ASX: HJB) (Managing director)

Former Directorships in the Last Three Years

Special Responsibilities

Managing Director

Directors’ report (continued)

Information on Directors (continued)

Interests in Shares and Options

- 24,661,000 fully paid ordinary shares
- 15,600,000 unlisted options exercisable at $0.01 per option, expiring on 30 June 2018
- 3,833,333 unlisted options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company’s shares is $0.02 or above, expiring on 12 April 2019
- 3,833,333 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company’s shares is $0.03 or above, expiring on 12 April 2021

Gregg Taylor

Experience and Expertise

Gregg has 20 years of International business experience in financial markets, technology, sports administration, media, and retail, He was most recently at Blue Ocean Equities as an Investment Executive responsible for research and capital markets services for ASX and NZX listed companies. He played a key role in introducing six new companies to the ASX in the last 3 years and raising significant equity growth capital for various ASX and NZX listed companies. Gregg’s other key financial markets role was as an Investment Manager with Schroders, one of the largest and most successful Australian Equity Fund Managers.

Other Current Directorships

None

Former Directorships in the Last Three Years

None

Special Responsibilities
None

Interests in Shares and Options

- 525,000 fully paid ordinary shares

Mike Everett

Michael has resigned effective 7 June 2017.

Company Secretary

Andrew Whitten - Appointed 24 December 2015

Directors' report (continued)

Principal activities

The principal activities of the Group during the financial year were exploration in Ghana.

Operating and financial review

The Company's operations during the year ended 30 June 2017 were primarily dedicated to the renewal of the Company's Ghanaian exploration tenements, developing an exploration program and considering investment in other projects.

The Republic of Ghana is located in West Africa, on the Gulf of Guinea and shares borders with Cote d'Ivoire (Ivory Coast) to the west, Togo to the east and Burkina Faso to the north.

The Company's Cape Three Points (CTP) project (CTP Project), which is held by the Company's wholly-owned Ghanaian subsidiary Noble Mineral Resources Ghana Limited ("NMRGL") lies on the eastern margin of the Ashanti Gold Belt in Southwest Ghana. The high grade, historical Satin goldmine occurs in the north western portion of the concession. The Satin mine lies 45km south of Goldfields' and AngloGold Ashanti's mining operations in Tarkwa, 25km southeast of Endeavour Mining's Nzema mining operations and 19km southwest of the Golden Star Resources mining operations at Hwini Butre.

The project area can be reached by the main Ghana to Cote d'Ivoire highway which runs through the northern portion of the CTP concession and by dirt road which runs along the coast connecting the Cape Three Points lighthouse with Busua town. A number of minor dirt tracks cross other parts of the CTP Project however, most of the project area is only accessible by footpath.

CTP Licences

Licence Names	Licence Type	Min Com ref No.	Area (Sq. Km)	Holder name	% held by Noble	Expiry date
CTP – North	Prospecting	PL2/33	31.9	NMRGL	100	23 Aug 2020
CTP – South (with Nakroba)	Prospecting	PL2/439	52.9	NMRGL	100	28 Aug 2013

On 23 August 2017, the Company's wholly owned subsidiary has been granted a renewal licence of the Cape Three Points North Prospecting Licence (CTP North Licence). The directors of the Company's subsidiary, Noble Mineral Resources Ghana Limited ("NMRGL") are continuing to liaise with the Minister of Lands and Natural Resources to progress the renewal of the Company's Cape Three Points South Prospecting Licences.

The total comprehensive loss for the financial year was $577,516 (2016: profit of $8,489,053).

nmgcorporation

Directors' report (continued)

Significant changes in the state of affairs

On 21 November 2016 the Company held it's AGMs and the shareholders of the Company passed all resolutions in the Notice of Annual General Meetings for 2013, 2014, 2015, and 2016.

On 23 November 2016 the Company issued and allotted the following options:

- 1,000,000 unlisted and unvested options for nil consideration, exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expiring on 23 November 2019;
- 1,000,000 unlisted and unvested options for nil consideration, exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expiring on 23 November 2021.

On 28 November 2016 the Company changed its name to NMG Corporation Limited (formerly NMG Corporation Limited).

On 1 December 2016 the Company adopted a New Constitution.

On 7 June 2017 Michael Everett resigned as a Non Executive Director of the Company.

Significant events after the balance date

Effective from 1 July 2017 onwards, all Directors of the Company, the Company's Advisory Committee, which comprises of Messrs Michael Pollak and Quentin Olde and the Bombora Group, have agreed to unconditionally and irrevocably waive all salaries and fees owed to them (other than the contingent liability accrued to that date).

On 11 August 2017 the Company raised $200,000 and issued 25,000,000 fully paid Ordinary Shares at $0.008 cents per share.

On 11 August 2017 Gregg Taylor was appointed Non Executive Director of the Company. Options will be issued to Gregg as part of his appointment, subject to shareholder approval at the AGM.

On 28 August 2017 the securities of NMG Corporation Ltd have been suspended from official quotation as the ASX has determined the Company does not have sufficient operations to warrant the continued quotation of its securities in accordance with Listing Rules 12.1.

On 23 August 2017 the Company's wholly owned subsidiary has been granted a renewal licence of the Cape Three Points North Prospecting Licence (CTP North Licence).

Likely developments and expected results

The Company's objective is to get the CTP Project South License renewed and consider an exploration programme on the prospecting license areas aimed at discovering economic gold deposits.

In addition, the Board will actively consider the acquisition and development of other investments, both within the resources industry as well as in unrelated market segments, as identified by the Company, and always subject to compliance with the ASX Listing Rules and the Corporations Act.

Directors' report (continued)

Environmental regulation and performance

The Group is subject to environmental regulation in respect of its exploration activities in Ghana.
The Group's operations are also subject to environmental regulations in Australia under Commonwealth and State legislation.

Share options

Unissued shares

As at the date of this report, the following were unquoted and unissued ordinary shares under option:

- 75,000,000 unquoted options exercisable at $0.01, expiring on or before 30 June 2018;
- 15,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 12 April 2019;
- 15,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 12 April 2021.
- 1,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 23 November 2019;
- 1,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 23 November 2021.

Shares issued as a result of the exercise of options

During or since the end of the year, there have been no shares issued as a result of the exercise of options over unissued ordinary shares.

Indemnification and insurance of directors and officers

The Company has agreed to indemnify the current directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

During the financial year the Group paid insurance premiums in respect of directors and officers liability insurance so as to insure the Directors of the Group, the Company secretary, and all executive officers of the Group and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The amount paid during the year was $12,278 (2016: $11,751).

Auditor independence

The auditor's independence declaration for the year ended 30 June 2017 has been received and is located with the Independent Auditor's Report on page 64.

Directors’ report (continued)

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 nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The were no fees were paid or payable to a company associated with Stantons International for non-audit services provided to the Company during the year ended 30 June 2017. In 2016 Stantons International completed an Investigating Accountants Report for $7,026.

Incomplete records

The management and affairs of the Company and all its controlled entities have not been under the control of the Directors of the Group since it entered into voluntary administration on 12 September 2013 until the DOCA effectuated on 24 December 2015.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 24 December 2015.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group’s accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment. However, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to the appointment of their appointment and the effectuation of the DOCA on 24 December 2015.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, because of the possible effect of the incomplete records on the prior year disclosure.

Directors’ report (continued)

Directors’ meetings

The following table sets out the number of Directors Meetings held during the financial year and the number of meetings attended by each Director (while they were in office):

	Directors Meetings	
Name of directors	**Meetings Held**	**In attendance**
Michael Hill	9	9
Brett Chenoweth	9	8
Michael Everett	9	6
Jonathan Pager	9	8

All other business was conducted via circular resolution.

Directors' report (continued)

Remuneration report (audited)

The remuneration report below reflects the remuneration policies that were adopted by the directors of the Company since the date of their appointment on the 24 December 2015.

This remuneration report for the year ended 30 June 2017 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

1. Individual key management personnel disclosures

Details of KMP of the Parent and Group are set out below:

Directors
Mike Hill – Executive Chairman
Mike Everett - Non-Executive Director (Resigned 7 June 2017)
Jonathan Pager – Finance Director
Brett Chenoweth - Executive Director
Gregg Taylor - Non-Executive Director (Appointed 11 August 2017)

2. Remuneration Policy

NMG Corporation Limited's remuneration strategy is designed to attract, motivate and retain Executives and Non-Executive Directors ("NED").

The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the achievement of strategic objectives;
- the Group's performance including:
  - the growth in share price; and
  - the amount of incentives within each key management person's compensation.

Given the evaluation and developmental nature of the Group's principal activity, the overall level of compensation does not have regard to the earnings of the Group.

All remuneration paid to KMP is valued at the cost to the company and expensed.

Key Management Personnel ("KMP"):

The key management personnel of NMG Corporation Limited are the directors.

Directors' report (continued)

Remuneration report (audited) (continued)

2. Remuneration Policy (continued)

Remuneration Expense Details:

The following table of benefits and payments represents the components of the current year expenses for each member of KMP of the Group:

	Short-term Benefits						
30 June 2017	**Salary, fees & commissions**	**Superannuation contribution**	**Cash bonus**	**Non monetary benefits**	**Termination Payment**	**Total**	**Performance**
	$	**$**	**$**	**$**	**$**	**$**	**%**
Directors							
M Hill	41,667	3,958	-	-	-	45,625	-
M Everett	21,000	-	-	-	-	21,000	-
B Chenoweth	27,250	-	-	-	-	27,250	-
J Pager	27,250	-	-	-	-	27,250	-
Total	117,167	3,958	-	-	-	121,125	-

	Short-term Benefits						
30 June 2016	**Salary, fees & commissions**	**Superannuation contribution**	**Cash bonus**	**Non monetary benefits**	**Termination Payment**	**Total**	**Performance**
	(a) **$**	**$**	**$**	**$**	**$**	**$**	**%**
Directors							
M Hill	25,004	2,375	-	15,483	-	42,862	-
M Everett	14,602	-	-	15,483	-	30,085	-
B Chenoweth	14,602	-	-	15,483	-	30,085	-
J Pager	14,602	-	-	5,049	-	19,651	-
Total	68,810	2,375	-	51,498	-	122,683	-

(a) Remuneration is from the date of appointment 24 December 2015.

Service agreements:

The directors have entered into Service Agreements on the following terms:

Base salary (including director's fees) of $80,000 per annum (including superannuation or similar contributions) is payable to Michael Everett, Brett Chenoweth, and Jonathan Pager;

- Base salary (including director's fees) of $150,000 per annum (including superannuation or similar contributions) is payable to Mike Hill; and

- From 1 April 2017 to 30 June 2017 all directors moved to a base salary (including director's fees) of $50,000 per annum (including superannuation or similar contributions) except Michael Everett to whom no further fees were payable.

Directors' report (continued)

Remuneration report (audited) (continued)

2. Remuneration Policy (continued)

Service agreements (Continued):

Each of the Directors have agreed to receive 35% of original base salary (50% of reduced base salary from 1 April 2017 to 30 June 2017) of their respective base salary up until the first material acquisition is made by the Company, at which time Directors will be paid the outstanding base salary to ensure that each Director receives 100% of their respective base salary for the period from the date of their appointment to the date of the acquisition. The remaining 65% of original base salary (50% of reduced base salary from 1 April 2017 to 30 June 2017) (true up) has been treated as a contingent liability. Post the first material acquisition, 100% of their respective base salary is payable monthly.

The directors are remunerated on a monthly basis with three months' termination payments payable.

The directors serve until they resign, are removed, cease to be a director or are prohibited from being a director under the provisions of the Corporations Act 2001, or are not re-elected to office.

The Company may also, in its absolute discretion, provide a bonus, the value of which, the conditions attached to and the frequency of such a bonus, remain matters over which the Company exercises sole discretion. If the Company terminates the agreement with reason (such as gross misconduct, conviction of a major criminal offence or misuse of price sensitive information), the Company will provide the Director with no notice and will be summarily dismissed. If the Company terminates the agreement without reason (notwithstanding any other provision of the agreement), the Company will provide the Director with 3 months' written notice or make a payment of 3 months' salary in lieu of the notice period.

The Director may terminate the agreement at his or her sole discretion and at any time, and in doing so is entitled to payment of a fee equivalent to 3 months of their base fees.

The Company has also engaged Bombora Group to provide advisory services to the Company. Bombora is owned equally by Messrs Hill, Everett and Chenoweth. Bombora will be paid up to $190,000 per annum for its services. Until the first acquisition is made, Bombora has agreed to receive a maximum of $160,000 per annum for its services, with the remaining balance paid post completion of the first acquisition.

Effective from 1 July 2017 onwards, all Directors of the Company, the Company's Advisory Committee, which comprises of Messrs Michael Pollak and Quentin Olde and the Bombora Group, have agreed to unconditionally and irrevocably waive all salaries and fees owed to them (other than the contingent liability accrued to that date).

3. Non-executive director remuneration arrangements

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. Total remuneration for all non-executive directors is not to exceed AUD $500,000 per annum. Directors' fees cover all main board activities and membership of committees.

Directors' report (continued)

Remuneration report (audited) (continued)

4. Board oversight of remuneration

Given the size and stage of development of the Company, there is currently no formal Nomination and Remuneration Committee. All decisions will be made by the Board.

5. Executive remuneration arrangements

Remuneration for executives is set out in employment/consultancy agreements. The Group had entered into employment/consultancy agreements with each executive key management person, which outline the components of compensation paid. The agreements do not prescribe how compensation levels are modified year to year. Compensation levels are reviewed on an annual basis through a process that considers individual and overall performance of the Group, taking into account any change in the scope of the role performed by the executives and any changes required to meet the principles of the Group's compensation policy.

6. Equity instruments disclosures

Options held by Directors and Key Management Personnel

The number of options in the Company during the 2017 reporting period held by each of the Group's Directors and Key Management Personnel, including their related parties, is set out below:

2017	Balance at start of the year	Granted during the year as remuneration	Received during the year on the exercise options	Other changes during the year	Balance at end of the year	Exercisable	Unvested
Notes				(i)			
Mike Hill	23,266,668	-	-	-	23,266,668	15,600,000	7,666,668
Mike Everett	23,266,666	-	-	(23,266,666)	-	15,600,000	7,666,666
Brett Chenoweth	23,266,666	-	-	-	23,266,666	15,600,000	7,666,666
Jonathan Pager	6,000,000	-	-	-	6,000,000	3,500,000	2,500,000
	75,800,000	-	-	(23,266,666)	52,533,334	50,300,000	25,500,000

2016	Balance at start of the year	Granted during the year as remuneration	Received during the year on the exercise options	Other changes during the year	Balance at end of the year	Exercisable	Unvested
Notes		(ii)		(iii)			
Mike Hill	-	7,666,668	-	15,600,000	23,266,668	15,600,000	7,666,668
Mike Everett	-	7,666,666	-	15,600,000	23,266,666	15,600,000	7,666,666
Brett Chenoweth	-	7,666,666	-	15,600,000	23,266,666	15,600,000	7,666,666
Jonathan Pager	-	2,500,000	-	3,500,000	6,000,000	3,500,000	2,500,000
	-	25,500,000	-	50,300,000	75,800,000	50,300,000	25,500,000

Directors' report (continued)

Remuneration report (audited) (continued)

Options held by Directors and Key Management Personnel (continued)

Notes

(i) Mike Everett resigned as a director on 7 June 2017.

(ii) On 12 April 2016, the Company issued 30,000,000 management options (to KMP and other non KMP) for no consideration on the following terms:

- 15,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.02 or above, expires on 12 April 2019;
- 15,000,000 unlisted and unvested options exercisable at $0.01 per option, vests only when the 20 day VWAP of the Company's shares is $0.03 or above, expires on 12 April 2021.

The grant of the management options was treated as a share based payment as set out in Note 17 and resulted in $51,498 being booked to the share based payment reserve.

Fair values at grant date were determined using a Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(iii) On 12 April 2016, as part of the recapitalisation, the Company issued 75,000,000 unlisted options at an issue price $0.000025 per option, exercisable at $0.01 per option, expiring on or before 30 June 2018 to raise $1,875.

When exercisable, each option is convertible into one ordinary share. Further information is set out in Note 12 to the financial statements. Options granted carry no dividend or voting rights.

Shares held by Directors and Key Management Personnel

The number of shares in the Company during the 2017 reporting period held by each of the Group's Directors and Key Management Personnel, including their related parties, is set out below:

2017	**Balance at start of the year**	**Received during the year on the exercise options**	**Other changes during the year (a)**	**Balance at end of the year**
Notes				
Mike Hill	24,661,000	-	-	24,661,000
Mike Everett	24,661,000	-	(24,661,000)	-
Brett Chenoweth	24,661,000	-	-	24,661,000
Jonathan Pager	12,800,000	-	-	12,800,000
	86,783,000	-	(24,661,000)	62,122,000

(a) Mike Everett resigned as a director on 7 June 2017.

Directors' report (continued)

Remuneration report (audited) (continued)

Shares held by Directors and Key Management Personnel (continued)

2016	Balance at start of the year	Received during the year on the exercise options	Other changes during the year	Balance at end of the year
Notes			(i)	
Mike Hill	-	-	24,661,000	24,661,000
Mike Everett	-	-	24,661,000	24,661,000
Brett Chenoweth	-	-	24,661,000	24,661,000
Jonathan Pager	-	-	12,800,000	12,800,000
	-	-	86,783,000	86,783,000

Notes

(i) Shares acquired under the DOCA recapitalisation and issued on 12 April 2016.

All equity transactions with KMP have been entered into under the terms and conditions no more favourable than those the company would have adopted if dealing at arm's length.

Other Key Management Personnel transactions

There have been no other transactions other than those described in the tables above.

End of Remuneration Report (Audited)

Signed in accordance with a resolution of behalf of the Directors

Mike Hill
Executive Chairman
29 September 2017

Corporate governance statement

The Corporate Governance Statement is current as at the 30 June 2017 and has been approved by the Board of the Company at that date.
The Corporate Governance Statement discloses the extent to which NMG Corporation Limited (Company) will follow the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (Recommendations).
The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in Lieu of the Recommendation.

The board of directors of NMG Corporation Limited are committed to achieving and demonstrating the highest standards of corporate governance.

The Group's current Corporate Governance Statement is available on NMG Corporation Limited website at http://www.nmglimited.com.au.

Consolidated statement of financial position

As at 30 June 2017

	Note	2017 AUD $	2016 AUD $
ASSETS			
Current Assets			
Cash and cash equivalents	11	480,720	1,180,194
Trade and other receivables	10	11,562	18,051
Prepayments		11,621	9,468
Total current assets		**503,903**	**1,207,713**
Non-current assets			
Exploration and evaluation assets	8	65,003	67,331
Property, plant and equipment	9	-	13,466
Total non-current assets		**65,003**	**80,797**
TOTAL ASSETS		**568,906**	**1,288,510**
LIABILITIES			
Current Liabilities			
Accounts payable and other payables	13	102,448	248,578
Total current liabilities		**102,448**	**248,578**
TOTAL LIABILITIES		**102,448**	**248,578**
NET ASSETS		**466,458**	**1,039,932**
EQUITY			
Issued capital	12	1,865,819	1,865,819
Reserves	14	122,827	82,906
Accumulated losses		(1,522,188)	(908,793)
TOTAL EQUITY		**466,458**	**1,039,932**

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

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2017

	Note	Consolidated 2017 AUD $	Consolidated 2016 AUD $
Continuing operations			
Revenue			
Revenue	4	2,913	2,511
Other income	4	-	1,686
Total Revenue		**2,913**	**4,197**
Expenses			
Employee benefit expenses	5	(198,336)	(178,766)
Legal expenses		(35,269)	(88,318)
Mineral Right Fee & Preservation expenses		(22,581)	(86,305)
Business development expenses		(160,000)	(151,306)
Other expenses		(200,122)	(83,557)
Total Expenses		**(616,308)**	**(588,252)**
Loss before impairment expenses		**(613,395)**	**(584,055)**
Loss before Income Tax		**(613,395)**	**(584,055)**
Income tax benefit	6	-	-
Net loss from continuing operations		**(613,395)**	**(584,055)**
Discontinued Operations			
Profit from discontinued operations after tax	23	-	9,052,662
Net (loss) / profit attributable to members of the Company		**(613,395)**	**8,468,607**
Other comprehensive income			
Items that maybe transferred to the profit and loss		-	-
Items that cannot be transferred to the profit and loss		-	-
Exchange differences arising on translation of operations		35,879	20,446
Total other comprehensive income		**35,879**	**20,446**
Total comprehensive (loss) / profit for the year		**(577,516)**	**8,489,053**

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2017

	Note	2017 AUD $	2016 AUD $
		Cents	**Cents**
(Losses)/ Earnings per share for loss from continuing operations attributable to the ordinary equity holders:			
Basic (loss)/ earnings per share (cents per share)			
- Continuing operations	7	(0.20)	(0.18)
- Discontinuing operations	7	-	2.70
Diluted (loss) /earnings per share (cents per share)			
- Continuing operations	7	(0.20)	(0.18)
- Discontinuing operations	7	-	2.55

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

.

Consolidated statement of changes in equity

For the year ended 30 June 2017

	Issued Capital AUD $	Foreign Currency Translation Reserve AUD $	Option Reserve AUD $	Accumulated Losses AUD $	Total AUD $
Balance as at 1 July 2016	**1,865,819**	**20,446**	**62,460**	**(908,793)**	**1,039,932**
Net loss for the year	-	-	-	(613,395)	(613,395)
Other comprehensive income	-	35,879	-	-	35,879
Total comprehensive loss for the year	-	35,879	-	(613,395)	(577,516)
Issue of share capital	-	-	-	-	-
Share based payments	-	-	4,042	-	4,042
Balance as at 30 June 2017	**1,865,819**	**56,325**	**66,502**	**(1,522,188)**	**466,458**
Balance as at 1 July 2015 Restated	**214,860,677**	**(555,990)**	**5,765,625**	**(228,949,438)**	**(8,879,126)**
Net profit for the year	-	-	-	8,468,607	8,468,607
Other comprehensive income	-	20,446	-	-	20,446
Total comprehensive profit for the year	-	20,446	-	8,468,607	8,489,053
Issue of share capital	1,865,819	-	-	-	1,865,819
Share based payments	-	-	62,460	-	62,460
Write back of accumulated losses	(214,860,677)	555,990	(5,765,625)	219,572,038	(498,274)
Balance as at 30 June 2016	**1,865,819**	**20,446**	**62,460**	**(908,793)**	**1,039,932**

The above 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

	Note	Consolidated 2017 AUD $	2016 AUD $
Cash flows from operating activities			
Receipts from customers		-	1,686
Interest income received		2,913	2,511
Payments to suppliers and employees		(733,450)	(301,894)
DOCA Settlement		-	(562,555)
Net cash flows used in operating activities	20	**(730,537)**	**(860,252)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	123,470
Net cash flows provided by investing activities		**-**	**123,470**
Cash flows from financing activities			
Proceeds from issue of share capital / options		-	1,461,430
Proceeds from Syndicate loan		-	505,000
Payment of Syndicate loan		-	(109,750)
Payments to over subscribers		-	(8,955)
Share issue costs		-	(8,750)
Net cash flows generated from financing activities		**-**	**1,838,975**
Net (decrease) / increase in cash and cash equivalents		**(730,537)**	**1,102,193**
Net foreign exchange differences		31,063	20,446
Cash and cash equivalents at the beginning of the year		**1,180,194**	**57,555**
Cash and cash equivalents at the end of the year	11	**480,720**	**1,180,194**

The above 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 consolidated financial statements of NMG Corporation Limited (formerly Noble Mineral Resources Limited) for the year ended 30 June 2017 were authorised for issue at the date of the director's report. Noble is a limited company incorporated and domiciled in Australia whose shares are quoted on the Australian Securities Exchange.

The principal activities of the Group during the financial year were exploration in Ghana.

1.1. Basis of preparation

Unless stated elsewhere, the consolidated financial statements of Noble and all its subsidiaries (the "Group") are general purpose financial reports which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. The consolidated financial statements are presented in AUD dollars. In the prior year the financial report was presented in $US as operations were predominantly conducted in $US.

The Company is a for profit entity.

Compliance Statement

The financial report complies with Australian Accounting Standards issued by the Australian Accounting Standards Board and with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Incomplete records

The management and affairs of the Company and all its controlled entities have not been under the control of the Directors of the Group since it entered into voluntary administration on 12 September 2013 until the DOCA effectuated on 24 December 2015.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 24 December 2015.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

1.1 Basis of preparation (continued)

Incomplete records (continued)

However, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to the appointment of their appointment and the effectuation of the DOCA on 24 December 2015.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, because of the possible effect of the incomplete records on the prior year disclosure.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group as at 30 June 2017. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Where the ownership of a subsidiary is less than 100%, and therefore a non-controlling interest/s exists, any losses of that subsidiary are attributed to the non-controlling interest/s even if that results in a deficit balance.

Going Concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

For the year ended 30 June 2017 the consolidated entity incurred a net loss of $613,395 (2016: profit of $8,468,607) and had working capital of $401,455 (2016: working capital of $959,135). Based upon the Group's existing cash resources of $480,720 (2016: $1,180,194), subsequently raising $200,000 capital, and on the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the financial report for the year ended 30 June 2017.

The Board of Directors are aware, having prepared a cash flow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months.

Notes to the consolidated financial statements

For the year ended 30 June 2017

1.1 Basis of preparation (continued)

Going Concern (continued)

In the event that the Group is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report.

2.0 Significant accounting judgements, estimates and assumptions

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

In particular, information about significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements is described below.

Exploration and evaluation expenditure (Note 8)

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale. The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

Contingencies (Note 15)

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Notes to the consolidated financial statements

For the year ended 30 June 2017

2.0 Significant accounting judgements, estimates and assumptions (continued)

Recovery of deferred tax assets (Note 6)

Judgment is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised

Deferred tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction.

To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

2.1 Changes in accounting policies and disclosures

Adoption of new and amended accounting standards and interpretations

The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 30 June 2016 but determined that their application to the financial statements is either not relevant or not material.

The consolidated financial statements are presented in AUD dollars

2.2 Summary of significant accounting policies

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

nmgcorporation

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies

(a) Business combinations and goodwill

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or as change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation then determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(b) Mineral exploration, evaluation and development expenditure

Pre-licence costs

Pre-licence costs are expensed in the period in which they are incurred.

Exploration and evaluation costs

Costs related to the acquisition of licences are capitalised until the viability of the area of interest is determined.

Exploration and evaluation expenditure incurred on licences where a JORC compliant resource has not yet been established is expensed as incurred until sufficient evaluation has occurred in order to establish a JORC compliant resource. Costs expensed during this phase are included in 'exploration expenditure' in profit or loss.

nmgcorporation

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies (continued)

(b) Mineral exploration, evaluation and development expenditure (continued)

Exploration and evaluation costs (continued)

These costs include materials and fuel used, surveying costs, drilling costs and payments made to contractors.

Upon the establishment of a JORC compliant resource (at which point, the Group considers it probable that economic benefits will be realised), the Group capitalises any further evaluation costs incurred for the particular licence to exploration and evaluation assets up to the point when a JORC compliant reserve is established.

In evaluating if expenditures meet the criteria to be capitalised, several different sources of information are utilised. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

Exploration and evaluation assets acquired in a business combination are initially recognised at fair value. They are subsequently measured at cost less accumulated impairment. Once JORC compliant reserves are established and development is sanctioned, exploration and evaluation assets are tested for impairment and transferred to 'Mines under construction'. No amortisation is charged during the exploration and evaluation phase.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(c) Property, 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 parts 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 profit or loss as incurred.

Depreciation / amortisation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The asset's residual value and useful lives are reviewed and adjusted if appropriate, at each statement of financial position date. There have been no significant changes in useful life estimates.

The premium paid in excess of the intrinsic value of land to gain access is amortised over the life of mine.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies (continued)

(c) Property, plant and equipment (continued)

Depreciation / amortisation (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period, and adjusted prospectively if appropriate.

(d) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a larger CGU.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment of inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies (continued)

(d) Impairment of non-financial assets (continued)

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

(e) Financial instruments – initial recognition and subsequent measurement

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 - Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 2 - Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 - Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.
When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2. Summary of significant accounting policies (continued)

(e) Financial instruments – initial recognition and subsequent measurement (continued)

- **Financial assets**

Initial recognition and measurement

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset. The Group's financial assets include cash and short-term deposits, trade and other receivables and loans and other receivables.

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in profit or loss in finance costs.

Collectability of loans and receivables are reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

- **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as loans and borrowings at amortised cost. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2. Summary of significant accounting policies (continued)

(e) Financial instruments – initial recognition and subsequent measurement (continued)

The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

- **Interest-bearing loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

- **Derivative financial instruments**

Derivative financial instruments are initially stated at their fair value on the date a derivative contract is executed and are subsequently remeasured at each reporting date. The resulting gain or loss is recognised in the statement of comprehensive income during each reporting period.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2. Summary of significant accounting policies (continued)

(f) Financial instruments – initial recognition and subsequent measurement (continued)

- **Fair value of financial instruments**

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

- **Cash and short-term deposits**

Cash and cash equivalents in the statement of financial position comprise cash at banks and at hand and short-term deposits with an original maturity of three months or less.

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

(f) Consumables

Materials and supplies are valued at the lower of cost and net realisable value. An allowance for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any obsolescence. Consumables are measured using weighted average costs.

(g) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Operating lease payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies (continued)

(h) Provisions

General

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. Where 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 profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave due to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave

The liability for long service leave is recognised and measured as the present value of expected future 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.

(i) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2 Summary of significant accounting policies (continued)

(i) Taxes (continued)

Current income tax (continued)

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date 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:

- Where 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, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, investor or venturer and it is probable that the temporary differences 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:

- Where the deferred income tax asset relating to the deductible temporary difference 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; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The Group recognises neither the deferred tax asset regarding the temporary difference on the rehabilitation liability, nor the corresponding deferred tax liability regarding the temporary difference on the rehabilitation asset.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.2. Summary of significant accounting policies (continued)

Deferred income tax (continued)

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period 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 the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will be available to 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 by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances arose.

(j) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received and receivable.
The following criteria are also applicable to other specific revenue transactions:

Interest revenue

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in profit or loss.

(k) Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with consultants and financiers by reference to the fair value of the equity instruments at the date at which they were issued. The fair value is determined using the Black Scholes option pricing model using relevant input assumptions including the price of the underlying security, life of the equity instrument, expected volatility of the underlying security and the risk-free rate on interest.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.3. Standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group 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 and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)**

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

- **AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).**

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

2.3. Standards and interpretations issued but not yet effective (continued)

- **AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018) (continued)**

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The directors anticipate that the adoption of AASB 15 will not have an impact on the Group's revenue recognition and disclosures.

- **AASB 16: Leases (applicable to annual reporting periods commencing on or after 1 January 2019).**

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB117: Leases and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as either operating leases or finance leases. Lessor accounting remains similar to current practice.

The main changes introduced by the new Standard are as follows:

- recognition of the right-to-use asset and liability for all leases (excluding short term leases with less than 12 months of tenure and leases relating to low value assets);
- depreciating the right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lease to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity at the date of initial application.
The directors anticipate that the adoption of AASB 16 will not have a material impact on the Group’s recognition of leases and disclosures).

- Other standards not yet applicable

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

3. Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the phase of each project as the risks are affected predominantly by differences in the phases in which each project is currently defined. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

The Group has the following segments:

Australia	Mineral development and corporate activities
Ghana/Cape Three Points	Mineral exploration activities

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally is the same as those contained in Note 2 to the accounts:

Corporate charges
Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are not allocated to a segment.

Inter-entity transactions
Inter-entity management fees are recognised on an arm's length basis for services provided by the parent company to each segment.

Segment loans payable and loans receivable
Segment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates.

Unallocated items
The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Corporate interest revenue and corporate expenditure
- Fair value losses on derivative financial instruments
- Corporate assets and liabilities
- Tax balances

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

3. Operating segments (continued)

	Ghana/Cape Three Points		Total	
	2017	2016	2017	2016
	AUD $	AUD $	AUD $	AUD $
Interest income	-	-	-	-
Other income	-	-	-	-
Total segment revenue	**-**	**-**	**-**	**-**
Corporate and other unallocated interest income			2,913	4,197
Total revenue per the statement of profit or loss and other comprehensive income			**2,913**	**4,197**

Segment revenue reconciliation to the statement of profit or loss and other comprehensive income

The analysis of the location of revenue is as follows:

			Total 2017	Total 2016
Australia			2,913	4,197
Ghana/Cape Three Points			-	-
Result				
Segment result	(97,869)	(94,580)	(97,869)	(94,580)
Inter-segment eliminations			-	-
Corporate and other unallocated			(515,526)	8,563,187
Net (loss)/ profit before tax as per the Statement of profit or loss and other comprehensive income			**(613,395)**	**8,468,607**

nmgcorporation

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

3. Operating segments (continued)

	Ghana/Cape Three Points		Total	
	2017	2016	2017	2016
	AUD $	AUD $	AUD $	AUD $
Segment assets				
Segment assets	66,074	80,797	66,074	80,797
Inter-segment eliminations:				
Inter-entity loans			-	-
Corporate and unallocated assets			502,832	1,207,713
Total assets per the statement of financial position			**568,906**	**1,288,510**
Segment assets reconciliation to the statement of financial position				
Australia			502,832	1,207,713
Ghana/Cape Three Points			66,074	80,797
Segment liabilities				
Segment liabilities	172,468	-	172,468	-
Inter-segment eliminations:			-	-
Inter-entity loans			(115,046)	(96,856)
Corporate and unallocated liabilities			45,026	248,578
Total liabilities per the statement of financial position			**102,448**	**248,578**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

4. Revenue and other income

	2017 AUD $	2016 AUD $
(a) Revenue		
Interest income	2,913	2,511
	2,913	**2,511**
(b) Other income		
Other	-	1,686
	-	**1,686**

5. General and administrative expenses

An analysis of significant general and administrative expenses is as follows:

	2017 AUD $	2016 AUD $
(a) Employee benefits expense		
Wages and salaries	(187,971)	(114,539)
Superannuation costs	(6,323)	(3,642)
Share based payments	(4,042)	(60,585)
	(198,336)	**(178,766)**

6. Income tax

(a) Reconciliations between tax benefit and pre-tax net profit/(loss)

	2017 AUD $	2016 AUD $
(Loss)/ Profit before income tax benefit	(613,395)	8,468,607
Income tax calculated at 30% (2016: 30%)	184,019	(2,540,582)
Other (non assessable) / non allowable items / deferred assets not recognised	(184,019)	2,540,582
Income tax benefit	-	-

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

6. Income tax (continued)

(a) Reconciliations between tax benefit and pre-tax net loss (continued)

Tax losses related to the entity prior to the reconstruction that were not used have been lost. Current tax losses have not been recognised as a deferred tax asset as recoupment is dependent on, amongst other matters, sufficient future assessable income being earned. That is not considered certain in the foreseeable future and accordingly there is uncertainty that the losses can be utilised. There are no deferred tax liabilities.

(b) Tax rates

The potential tax benefit at 30 June 2017 in respect of tax losses not brought to account has been calculated at local rates of 30% for Australia (2016: 30%)and 35% for Ghana (2016: 35%).

7. Earnings per share

Basic earnings per share amounts are calculated by dividing the net loss for the year by the weighted average number of ordinary shares outstanding during the year.

	2017	2016
Net loss from continuing operations (AUD)	(613,395)	(584,055)
Net profit from discontinued operations (AUD)	-	9,052,662
Weighted average number of ordinary shares (number of shares)	313,328,147	354,816,343
Continuing operations:		
Basic loss per ordinary share from continuing operations (AUD cents)	(0.20)	(0.18)
Diluted earnings/ (loss) per ordinary share from continuing operations (AUD cents)	(0.20)	(0.18)
Discontinuing operations:		
Basic earnings per ordinary share from discontinuing operations (AUD cents)	-	2.70
Diluted earnings per ordinary share from discontinuing operations (AUD cents)	-	2.55

The total number of share options and conversion options outstanding at reporting date, but not considered to be dilutive is 107 million (2016: 105 million). No shares have been issued after the reporting date as a result of the exercise of listed options.

A total of 25,000,000 fully paid Ordinary shares were issued on 11 August 2017 to raise $200,000.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

8. Exploration and evaluation assets

	2017 AUD $	2016 AUD $
At cost:		
As at 1 July	67,331	65,104
Foreign exchange translation movement	(2,328)	2,227
	65,003	**67,331**

Exploration and evaluation expenditure immediately expensed as per the accounting policy amount to AUD $22,581 (2016: AUD$86,305).

The value of the Group's interest in exploration and evaluation assets is dependent upon the continuance of the Group's rights to tenure of the areas of interest, the results of future exploration and the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

As part of the DOCA and recapitalisation, Rothschild will provide NMRGL with assistance with any sale process over NMRGL or the CTP projects. As consideration, Rothschild will be granted an option to acquire up to 30% equity interest in NMRGL for $1 at any time after the date of its issue. If Rothschild does not elect to contribute to NMRGL costs on a pari passu basis, the option over NMRGL's equity will be diluted (based on an agreed NMRGL value of $300,000).

The directors have valued the exploration and evaluation assets at $65,003.

9. Property, plant and equipment

	2017 AUD $	2016 AUD $
Plant and Equipment		
At Cost:		
As at July	13,466	130,208
Foreign exchange translation movement	(213)	-
Impairment	(13,253)	(116,742)
	-	**13,466**
Carrying Value		
As at 30 June	**-**	**13,466**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

10. Trade and other receivables

	Consolidated	
	2017	2016
	AUD $	AUD $
Current		
Other receivables	11,562	18,051
	11,562	**18,051**

The carrying value of trade and other receivables approximate their fair value.

11. Cash and cash equivalents

		Consolidated	
		2017	2016
		AUD $	AUD $
Cash at bank and in hand	(i)	480,720	1,180,194
		480,720	**1,180,194**

(i) Cash at banks earns interest at floating rates based on daily bank deposit rates.

Risk exposure
The Group's exposure to interest rate risk is discussed at Note 18. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash at cash equivalents mentioned above.

The Group only deposits cash surpluses with major banks of high quality credit standing.

12. Issued capital

		Consolidated	
	Notes	2017	2016
		AUD $	AUD $
Ordinary share capital		**1,865,819**	**1,865,819**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

12. Issued capital (continued)

(a) Ordinary shares issued and fully paid	Number	AUD $
As at 1 July 2015	666,397,952	214,860,677
Share consolidation	(653,069,805)	-
Issue of shares	300,000,000	1,865,819
Write back of accumulated losses	-	(214,860,677)
As at 30 June 2016	**313,328,147**	**1,865,819**
Movement	-	-
As at 30 June 2017	**313,328,147**	**1,865,819**

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

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(b) Options

Listed/ Unlisted	Expiry Date	Exercise Price	Balance at 1 July 2016	Movement for the period	Balance at 30 June 2017	Note
Unlisted	23 November 2019	AUD $0.01	-	1,000,000	1,000,000	(i)
Unlisted	23 November 2019	AUD $0.01	-	1,000,000	1,000,000	(i)
Unlisted	30 June 2018	AUD $0.01	75,000,000	-	75,000,000	(ii)
Unlisted	12 April 2019	AUD $0.01	15,000,000	-	15,000,000	(iii)
Unlisted	12 April 2021	AUD $0.01	15,000,000	-	15,000,000	(iii)

(i) On 23 November 2016, the Company issued 2,000,000 options to an advisor for no consideration on the following terms:
- Unlisted and unvested options, which vest once the 20 day VWAP of the Company's shares is $0.02, each exercisable at $0.01 per option, expiring on or before 23 November 2019.
- Unlisted and unvested options, which vest once the 20 day VWAP of the Company's shares is $0.03, each exercisable at $0.01 per option, expiring on or before 23 November 2021.

(ii) On 12 April 2016, as part of the recapitalisation, the Company issued 75,000,000 unlisted options at an issue price $0.000025 per option, exercisable at $0.01 per option, expiring on or before 30 June 2018 to raise $1,875.

(iii) On 12 April 2016, the Company issued 30,000,000 management options for no consideration on the following terms:

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

12. Issued capital (continued)

(b) Options

- Unlisted and unvested options, which vest once the 20 day VWAP of the Company's shares is $0.02, each exercisable at $0.01 per option, expiring on or before 12 April 2019.
- Unlisted and unvested options, which vest once the 20 day VWAP of the Company's shares is $0.03, each exercisable at $0.01 per option, expiring on or before 12 April 2021.

The grant of the management options was treated as a share based payment as set out in Note 17 and resulted in $4,042 (2016:$60,585) being booked to the share based payment reserve.

13. Accounts payable and other payables

	Consolidated 2017 AUD $	Consolidated 2016 AUD $
Current		
Accounts payable and other payables	102,448	248,578
	102,448	**248,578**

14. Reserves

	Consolidated Foreign Currency Translation Reserve AUD $	Consolidated Option Reserve AUD $	Consolidated Total AUD $
As at 1 July 2015 Restated	**(555,990)**	**5,765,625**	**(5,209,635)**
Unlisted option issue – share-based payments	-	62,460	62,460
Foreign currency movements	20,446	-	20,446
Write back of accumulated losses*	555,990	(5,765,625)	(5,209,635)
As at 1 July 2016 Restated	**20,446**	**62,460**	**82,906**
Unlisted option issue – share-based payments	-	4,042	4,042
Foreign currency movements	35,879	-	35,879
As at 30 June 2017	**56,325**	**66,502**	**122,827**

Nature and purpose of reserves:

Foreign currency translation reserve
This reserve is used to record exchange differences arising on translation of the group entities that do not have a functional currency of AUD dollars and have been translated for presentation purposes.

* The directors of the Company elected to apply relief under section 258F of the Corporations Act 2001, as the Paid Up Share Capital is considered cost or is not represented by available assets.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

15. Capital commitments and other contingencies

Project commitments

Cape Three Points Concession

The Company acquired a joint venture interest from Axmin Limited ("Axmin") with Consolidated Minerals Limited ("ConsMin") for a project consisting of a concession located in the Republic of Ghana ("Cape Three Points Concession"). In consideration for the acquisition of Axmin rights, interests and obligations in and to the Cape Three Points Concession, Noble must pay Axmin 1.5% of the gross smelter returns from the disposition of concentrates derived from ore mined from the Cape Three Points Concession and milled or concentrated by Noble.

The Company acquired the joint venture interest from ConsMin in December 2010. In consideration for the rights, interests and obligations to the Cape Three Points Concession, Noble must pay ConsMin US$10,000 on every anniversary of the agreement for so long as Noble is in the process of exploration on the Concession, and 1% net refinery returns from the sale or other disposition of all gold produced from the property.

The Company has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Company's exploration program and priorities. These obligations are also subject to variations by negotiation, joint venturing or relinquishing some of the relevant tenements.

Remuneration commitments

Director, Advisory Committee and Bombora fees

Each of the Directors and the advisory committee members have agreed to receive 35% of their respective original base salary (50% from 1 April 2017 to 30 June 2017 based on the reduced base salary) up until the first material acquisition is made by the Company, at which time Directors will be paid the outstanding base salary to ensure that each Director receives 100% of their respective base salary for the period from the date of their appointment to the date of the acquisition. The remaining 65% (50% from 1 April 2017 to 30 June 2017) of base salary (true up) has been treated as a contingent liability. Thereafter 100% of their respective base salary will be payable monthly.

The Company has also engaged Bombora Group to provide advisory services to the Company. Bombora is owned equally by Messrs Hill, Everett and Chenoweth. Bombora will be paid up to $190,000 per annum for its services. Until the first acquisition is made, Bombora has agreed to receive a maximum of $160,000 per annum for its services, with the remaining balance paid post completion of the first acquisition.

As at 30 June 2017 the contingent liability associated with the true up is $461,724 (2016:$166,099).

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

16. Related party disclosures

The consolidated financial statements include the financial statements of NMG Corporation Limited and its subsidiary listed in the following table:

	Country of Incorporation	% equity interest 2017	2016
Noble Mineral Resources Ghana Limited	Ghana	100%	100%

NMG Corporation Limited is the ultimate parent of the consolidated entity.

(a) Compensation of key management personnel of the Group

	Consolidated 2017 AUD $	2016 AUD $
Short-term employee benefits	117,167	68,810
Post-employment benefits	3,958	2,375
Share based payments	-	51,498
Total compensation paid to key management personnel	**121,125**	**122,683**

(b) Option holdings of key management personnel

Refer to the Remuneration Report for further information.

(c) Shareholdings of key management personnel

Refer to the Remuneration Report for further information.

(d) Other related party transactions

Repayment of a syndicate loan $Nil (2016: $532,500) (the Syndicate was headed by Pager Partners, an entity related to Jonathan Pager). The loan in 2016 was settled with $109,750 in cash and $422,750 in equity.

The Company has engaged Bombora Group to provide advisory services. Bombora is owned equally by Messrs Hill, Everett, and Chenoweth. The Company paid Bombora $160,000 in 2017 (2016:$10,000). Until the first acquisition is made, Bombora has agreed to receive $30,000 post completion of the first acquisition.

There were no further related party transactions.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

17. Share based payments

Advisor Options

On 23 November 2016, an advisor received the following unlisted advisor options for $NIL consideration:

- 1,000,000 Management options that vest once the 20 day VWAP of the Company's shares is $0.02 per share, each exercisable at $0.01 per option, expiring 3 years from the date of issue on 23 November 2019 (**3 Year Options**);
- 1,000,000 Management options that vest once the 20 day VWAP of the Company's shares is $0.03 per share, each exercisable at $0.01 per option, expiring 5 years from the date of issue on 23 November 2021 (**5 Year Options**).
- The options where valued using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Summary of options granted

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options issued in lieu of remuneration during the year:

	2017 Number	2017 WAEP AUD $	2016 Number	2016 WAEP AUD $
Outstanding at 1 July	105,000,000	0.01	-	-
Granted during the year	2,000,000	0.01	105,000,000	0.01
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
	107,000,000	**0.01**	**105,000,000**	**0.01**

Weighted average remaining contractual life

The weighted average remaining contractual life for the share options outstanding at 30 June 2017 is 2.67 years (2016: 1.91 years).

Range of exercise price

The exercise price for options outstanding at the end of the financial year was $0.01 (2016: $0.01).

Weighted average fair value

The weighted average fair value of options granted during the year was $0.01 per option (2016: $0.01).

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

18. Financial risk management objectives and policies

The Group's principal financial instruments comprise financial liabilities and financial assets. The Group's principal financial liabilities comprise accounts payable. The Group has various financial assets such as accounts receivable and cash and short-term deposits.

Risk exposures and responses

The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risks, comprising commodity price risk, cash flow interest rate risk and foreign currency risk and liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: commodity price risk, equity price risk, interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits, accounts receivable, accounts payable, accrued liabilities, and derivative financial instruments.

Equity price risk

The company has no material equity price risk

Interest rate risk

The Board does not consider the Group as being materially exposed to changes in market interest rates.

Liquidity risk

The Group monitors its risk of a shortage of funds by monitoring its cash flow forecast working capital requirements.

Credit Risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted under a financial instrument resulting in a financial loss to the Group and arises from deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables and committed transactions. For banks and financial institutions, only independent parties with a minimum credit rating of 'A' are accepted.

The carrying amount of the Group's financial assets represents the maximum credit exposure.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

18. Financial risk management objectives and policies (continued)

Foreign currency risk

The Group is exposed to movements in the $AUD: $USD foreign exchange rate. This is mainly in relation to the support of the Ghana subsidiary. In order to mitigate this risk, the Group seeks to convert its Australian Dollar to United States Dollars when rates are favourable.

The Group's exposure to $AUD: $US foreign currency risk at the balance date:

	2017 AUD $	2016 AUD $
$AUD: $US		
Cash and cash equivalents	1,072	1,252
Trade and other receivables	-	-
Trade and other payables	(115,046)	(91,158)
Derivative financial instruments	-	-
Net statement of financial position exposure	**(113,974)**	**(89,906)**

Sensitivity analysis

Based on the financial instruments held at 30 June 2017, a 5% strengthening/weakening of the United States Dollar against the Australian Dollar at 30 June would have increased the profit for the year by $4,383 (2016: increase by $4,504) and decreased the profit by $4,383 (2016: decreased by $4,978) respectively. The impact on equity is the same as the impact on profit before tax.

The foreign exchange movement for the above sensitivity analysis was based on foreign exchange risk exposures at the balance date.

Fair value

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1: the fair value is calculated using quoted prices in active markets.
Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3: the fair value is estimated using inputs for the asset or liability that are not based on market data.

The Group's financial liabilities are carried at amortised cost, where the carrying value approximates the fair value.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

19. Auditors' remuneration

Stantons International Audit and Consulting Pty Ltd are the Company's current auditors.

	Consolidated	
	2017	2016
	AUD $	AUD $
Amounts received or due and receivable by Stantons International for:		
➢ An audit or review of the financial report of the entity and any other entity in the consolidated group		
- For the year end and half year	15,000	10,000
- For the year end (Prior years)	8,000	25,074
➢ Other services in relation to the entity and any other entity in the consolidated group:		
- Investigating Accountants Report	-	7,026
	23,000	**42,100**

20. Cash flow statement reconciliation

	Consolidated	
	2017	2016
Reconciliation of net (loss)/ profit to net cash flows from operations	**AUD $**	**AUD $**
Net (Loss)/ Profit	(613,395)	8,468,607
Adjustments for:		
Share based payment	4,042	62,460
Impairment of assets	13,253	-
Changes in assets and liabilities:		
Increase in other assets	(2,154)	(9,468)
Decrease/ (Increase) in trade and other receivables	6,489	(18,051)
Decrease in trade and other payables	(138,772)	(9,363,800)
Net Cash flows used in operating activities	**(730,537)**	**(860,252)**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

21. Events after the reporting date

Effective from 1 July 2017 onwards, all Directors of the Company, the Company's Advisory Committee, which comprises of Messrs Michael Pollak and Quentin Olde and the Bombora Group, have agreed to unconditionally and irrevocably waive all salaries and fees owed to them (other than the contingent liability accrued to that date).

On 11 August 2017 the Company raised $200,000 and issued 25,000,000 fully paid Ordinary Shares at $0.008 cents per share.

On 11 August 2017 Gregg Taylor was appointed Non Executive Director of the Company. Options will be issued to Gregg as part of his appointment, subject to shareholder approval at the AGM.

On 23 August 2017 the Company's wholly owned subsidiary has been granted a renewal licence of the Cape Three Points North Prospecting Licence (CTP North Licence).

On 28 August 2017 the securities of NMG Corporation Ltd have been suspended from official quotation as the ASX has determined the Company does not have sufficient operations to warrant the continued quotation of its securities in accordance with Listing Rules 12.1.

22. Parent entity information

	2017 AUD $	2016 AUD $
Information relating to NMG Corporation Limited		
Current assets	502,831	1,303,317
Total assets	502,831	1,303,317
Current liabilities	(45,026)	(213,578)
Total liabilities	(45,026)	(213,578)
Net assets	**457,805**	**1,089,739**
Issued capital	1,865,819	1,865,819
Option reserve	66,502	62,460
Foreign currency translation reserve	-	-
Accumulated losses	(1,474,516)	(838,540)
Total shareholders' equity	**457,805**	**1,089,739**
(Loss) / gain of the parent entity	(635,976)	8,565,360
Total comprehensive (loss) / gain of the parent entity	(635,976)	8,565,360

Guarantees entered into by the parent entity in relation to debts of its subsidiaries

The contingencies and commitments are the same for the parent and the group as disclosed in Note 15. There are no guarantees.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

23. Discontinued Operations

(a) Details of operations disposed

On 12 September 2013 the Company was placed into voluntary administration and the Company operations were suspended under the Administrators. The Administrators sought expressions of interest from third parties in either acquiring the assets of the Company or reconstructing and recapitalising the Company.

The variation to the DOCA was signed on 3 June 2015, with the following terms:

- The syndicate led by Pager Partners will loan the Company A$505,000.
- The Company would pay A$505,000 to the Deed Administrator for distribution under the DOCA to a Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge over the Company.
- Certain unencumbered assets were retained by the Company including the Company's wholly owned subsidiary Noble Mineral Resources Ghana Limited and all the other subsidiaries were to be transferred to the Creditors' Trust.
- A Creditors' Trust Deed was to be used in order to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts.

The DOCA was effectuated on 24 December 2015 and the Company was released from being subject to the DOCA, at which point control of the Company was handed over to the new Directors, being Messrs Hill, Chenoweth, Pager and Everett (who were appointed directors on 24 December 2015).

(b) Details of operations disposed

	30 Jun 2017 AUD $	30 Jun 2016 AUD$
Carrying value of Net Liabilities	-	9,074,439
Payment to Noble Mineral Resources Limited Trust	-	(505,000)
FX translation	-	483,223
Net gain on disposal of operations	-	9,052,662

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2017

23. Discontinued Operations

(c) Assets and liabilities of discontinued operations

Cash and cash equivalents	-	(57,555)
Trade and other payables	-	9,131,994
Net liabilities attributable to discontinued operations	-	9,074,439

(d) Cash flows used in discontinued operations

Net cash used in operating activities	-	(57,555)
Net cash from investing activities	-	-
Net cash used in financing activities	-	-
Net cash outflows for the year	-	(57,555)

Directors' declaration

1) Subject to the uncertainty over the completeness of source documentation and its impact on prior year comparatives, as disclosed in Note 1, In the opinion of the directors of NMG Corporation Limited:

    a) the accompanying financial statements, notes and the additional disclosures are in accordance with the Corporations Act 2001 including:

        i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the year then ended; and

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

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

    c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and

    d) the audited remuneration disclosures set out on pages 13 to 18 of the Directors' Report comply with accounting standard AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2017.

On behalf of the board

Mike Hill
Executive Chairman
29 September 2017

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
NMG CORPORATION LIMITED**

Report on the Audit of the Financial Report

Qualified Auditor's Opinion

We have audited the financial report of NMG Corporation 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 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 statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 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 then ended; and

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

Basis for Qualified Opinion

The Group was placed into voluntary administration on 12 September 2013 and the Deed of Company Arrangement was effectuated on 24 December 2015. Consequently, the financial information relating to the year ended 30 June 2016 was not subject to the same accounting and internal controls processes, which includes the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report. Whilst the books and records of the Company have been reconstructed to the maximum extent possible, we were unable to satisfy ourselves as to the completeness of the general ledger and financial records as well as the relevant disclosures in the financial report for the year ended 30 June 2016.

As stated in Note 1.1, the current Directors are unable to state that the financial information for the year end 30 June 2016 is in accordance with all the requirements of the Corporations Act 2001 and the Australian Accounting Standards.

Material Inherent Uncertainty Regarding Going Concern

Without modification to the opinion expressed above, attention is drawn to the following matters:

As referred to in Note 1.1 to the financial statements, the financial statements have been prepared on a going concern basis. As at 30 June 2017, NMG Corporation Limited had a working capital of $401,455, net cash outflows of $730,537 for the year and had incurred a loss for the year of $613,395. The ability of NMG Corporation Limited to continue as a going concern is subject to the successful recapitalisation of NMG Corporation Limited and/or commencement of profitable operations. In the event that the Board is not successful in recapitalising the Company and in raising further funds, or in commencing profitable operations, NMG Corporation Limited may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report.

Key Audit Matters

In addition to the matters described in the Basis for Qualified Opinion and Emphasis of Matter paragraphs, we have defined the matters described below to be key audit matters to be communicated in our report.

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.

Key Audit Matters	How the matter was addressed in the audit
Carrying Value of Exploration and Evaluation Assets The Group carries Exploration and Evaluation Assets totalling $65,003 (refer to Note 8) in terms of the application of the Group's accounting policy for exploration and evaluation expenditure, as set out in Note 2.2 (b). The capitalised Exploration and Evaluation Assets is a key audit matter due to: • The significance of the total balance (11% of total assets); • The level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present. The presence of impairment requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale, or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The capitalisation and deferral of costs requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation may be established. Accordingly, we have examined documentation in relation to: • right of tenure of the Ghana tenements; • the ability of the Group to maintain and fund future exploration activities.	Inter alia, our audit procedures included the following: i. Verifying the Group's right to tenure over exploration assets held, including the corroboration of ownership to third party documentation; ii. Reviewing the directors' assessment of the carrying value of the exploration and evaluation costs, ensuring that management have considered the effect of potential impairment indicators and the stage of the Group's project also against AASB 6; iii. Discussion with management of the requirements of AASB 6 and ensured the financial statements contain appropriate disclosures; and iv. Reviewed post-balance ASX announcements for evidence of any concessions relinquished.

Other Information

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

Our opinion on the financial report does not cover the other information and accordingly 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 NMG Corporation Limited 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 NMG Corporation Limited 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NMG Corporation Limited’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause NMG Corporation Limited to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within NMG Corporation Limited to express an opinion on the financial report. We are responsible for the direction, supervision and performance of NMG Corporation Limited audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 18 of the directors' report for the year ended 30 June 2017.

In our opinion the Remuneration Report of NMG Corporation Limited for the year ended 30 June 2017 complies with section 300A of the Corporations Act 2001.

Disclaimer of opinion

Because of the existence of the limitation on scope of our work, as described in the Basis of Disclaimer of Auditor's Opinion, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion on the remuneration report of NMG Corporation Limited for the year ended 30 June 2016 and whether it 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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
29 September 2017

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

29 September 2017

Board of Directors
NMG Corporation Limited
Level 29,
201 Elizabeth Street
Sydney, NSW 2000

Dear Sirs

RE: NMG CORPORATION LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of NMG Corporation Limited.

As Audit Director for the audit of the financial statements of NMG Corporation Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

nmgcorporation

ASX Additional Information

NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 13 SEPTEMBER 2017

ORDINARY SHARES:

338,328,147 fully paid pre consolidation ordinary shares held by 2,128 individual shareholders

All ordinary shares carry one vote per share

UNQUOTED SECURITIES:

There are 8 holders of 107,000,000 unquoted options.

Options	Number
Unlisted options, exercisable at $0.01 per option, expires on 30 June 2018	75,000,000
Unlisted and unvested options, exercisable at $0.01 per option, expires on 12 April 2019	15,000,000
Unlisted and unvested options, exercisable at $0.01 per option, expires on 12 April 2021	15,000,000
Unlisted and unvested options, exercisable at $0.01 per option, expires on 23 November 2019	1,000,000
Unlisted and unvested options, exercisable at $0.01 per option, expires on 23 November 2021	1,000,000

DISTRIBUTION OF HOLDERS IN EACH CLASS OF EQUITY SECURITIES:

TOTAL HOLDERS FULLY PAID ORDINARY SHARES

Range	Securities	%	No. of holders	%
100,001 and Over	333,931,616	98.70	240	11.28
10,001 to 100,000	2,935,549	0.87	82	3.85
5,001 to 10,000	438,700	0.13	61	2.87
1,001 to 5,000	649,145	0.19	301	14.14
1 to 1,000	373,137	0.11	1,444	67.86
Total	**338,328,147**	**100.00**	**2,128**	**100.00**
Unmarketable Parcels	3,136,471	0.93	1,873	88.02

There are 1,873 holders of unmarketable parcels.

SUBSTANTIAL SHAREHOLDRS:

The names of substantial shareholders who have notified the Company in accordance with Section 671B of the Corporations Act are:

Name	Securities	%IC
MACE GROUP PTY LTD	25,000,000	7.39
BREBEC PTY LTD	24,661,000	7.29
JARUMITO PTY LIMITED	22,661,000	6.70
UNITED EQUITY PARTNERS PTY LTD	22,500,000	6.65
HOLLOWAY COVE PTY LTD	18,000,000	5.32
REUNION INVESTMENTS PTY LTD	17,948,875	5.31

ASX Additional Information

NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 13 SEPTEMBER 2017

TOP 20 HOLDERS OF EQUITY SECURITIES AS AT 13 SEPTEMBER 2017:

Rank	Name	Securities	%IC
1	MACE GROUP PTY LTD	25,000,000	7.39
2	BREBEC PTY LTD	24,661,000	7.29
3	JARUMITO PTY LIMITED	22,661,000	6.70
4	UNITED EQUITY PARTNERS PTY LTD	22,500,000	6.65
5	HOLLOWAY COVE PTY LTD	18,000,000	5.32
6	REUNION INVESTMENTS PTY LTD	17,948,875	5.31
7	MILRAY CONSULTING PTY LTD	15,400,000	4.55
8	OCEANVIEW SUPER FUND PTY LTD	8,000,000	2.36
9	JASPAR INVESTMENTS PTY LIMITED	7,371,667	2.18
9	LUMAHAWI PTY LTD	7,371,667	2.18
9	HAYDALEX PTY LTD	7,371,667	2.18
9	TUBBIN INVESTMENTS PTY LTD	7,371,667	2.18
10	REUNION INVESTMENTS PTY LTD	6,712,125	1.98
11	POLFAM PTY LTD	6,500,000	1.92
12	SHELCO INVESTMENTS PTY LTD	5,500,000	1.63
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,827,785	1.13
14	GOTHA STREET CAPITAL PTY LTD	3,788,467	1.12
15	NEAB NOMINEES PTY LTD	3,750,000	1.11
16	MR ANDREW JAMES GRAY	3,310,000	0.98
17	MRS KATHERINE PATRICIA STOCK	3,000,000	0.89
17	MR GEOFFREY VICTOR DAY & MRS ANNE MARGARET DAY	3,000,000	0.89
18	BLUE CRYSTAL PTY LTD	2,930,207	0.87
19	PAGER PARTNERS CORPORATE ADVISORY PTY LTD	2,800,000	0.83
20	RESOLUTE (TREASURY) PTY LTD	2,621,986	0.77
	Total	**231,398,113**	**68.39**
	Balance of register	**106,930,034**	**31.61**
	Grand total	**338,328,147**	**100.00**

nmgcorporation

ASX Additional Information

EXPLORATION LICENCES GRANTED

NMG Corporation Limited has interests in tenements via the following companies:
1. Noble Mineral Resources Ghana Limited

Licence Names	Licence Type	Min Com ref No.	Area (Sq. Km)	Holder name	% held by Noble	Expiry date
CTP – North	Prospecting	PL2/33	28	NMRGL	100	23 Aug 2020
CTP – South (with Nakroba)	Prospecting	PL2/439	52.9	NMRGL	100	28 Aug 2013