NTM GOLD LIMITED

ABN 24 119 494 772

2018 Annual Report

Contents

Corporate Directory

NTM Gold Limited

ABN 24 119 494 772

Directors

Andrew Muir (Managing Director)
Paul Price (Chairman, Non-Executive Director)
Rodney Foster (Non-Executive Director)
Edward van Heemst (Non-Executive Director)

Company Secretary

Mark Maine

Registered Office

Unit 4, 20 Altona Street
West Perth WA 6005
Australia

Solicitors

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

Bankers

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

Share Registry

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

Stock Exchange Listing

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

Website

www.ntmgold.com.au

Auditors

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

Directors’ report

The Directors of NTM Gold Limited and its controlled entities (“NTM Gold” or "the Group") present their Annual Report for the year ending to 30 June 2018 (“the Reporting Date”).

Directors

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

Names, qualifications experience and special responsibilities

Mr Andrew Muir B. Sc (Geology)
Managing Director
Appointed as Executive Director on 12 January 2018

Mr Muir has a broad background and experience in both geology and the capital markets.

Mr Muir was appointed as Managing Director of the Company in January 2018. He is an experienced geologist with time spent equally across both exploration and mining operations. He was instrumental in the discovery of the multi-million-ounce Wallaby deposit whilst at the Granny Smith operation. He has previously worked with Great Central Gold Mines, Placer Dome and Goldfields Limited. More recently Mr Muir has worked as a corporate adviser with Argonaut Securities and as a resource analyst for JP Morgan, Hartleys and PCF Capital.

During the past three years, Mr Muir has not served as a Director of any other listed company.

Mr Paul Price B.Juris, LLB, MBA
Chairman, Non-Executive Director
Appointed as Non-Executive Director on 7 July 2016, Chairman on 3 August 2016

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

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

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

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

Mr Rodney Foster BSc (Geology) MAusIMM
Non-Executive Director
Appointed as Non-Executive Director on 8 April 2016, Chairman 27 June 2016 to 3 August 2016, Chief Executive Officer on 3 August 2016 to 12 January 2018

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

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

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

Mr Edward van Heemst B.Com, MBA, CA, CPA
Non-Executive Director
Appointed as Non-Executive Director on 12 January 2018

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

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

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

- Redstone Resources Limited: from 9 July 2012 to current date.

Directors' report (continued)

Directors (continued)

Mr Lloyd Jones
Non-Executive Director

Resigned 30 April 2018.

Company Secretary

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

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

Interests in the shares and options of the group

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

Director	Number of Ordinary Shares	Number of Options over Ordinary Shares
A Muir [1]	250,000	-
R Foster	17,995,402	-
P Price	638,181	-
E van Heemst [1]	21,000,000	-

1. Appointed 12 January 2018

Corporate information

Corporate structure

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

Principal activities

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

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

Loss per share

Basic loss per share	(0.05) cents
Diluted loss per share	(0.05) cents

Dividends

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

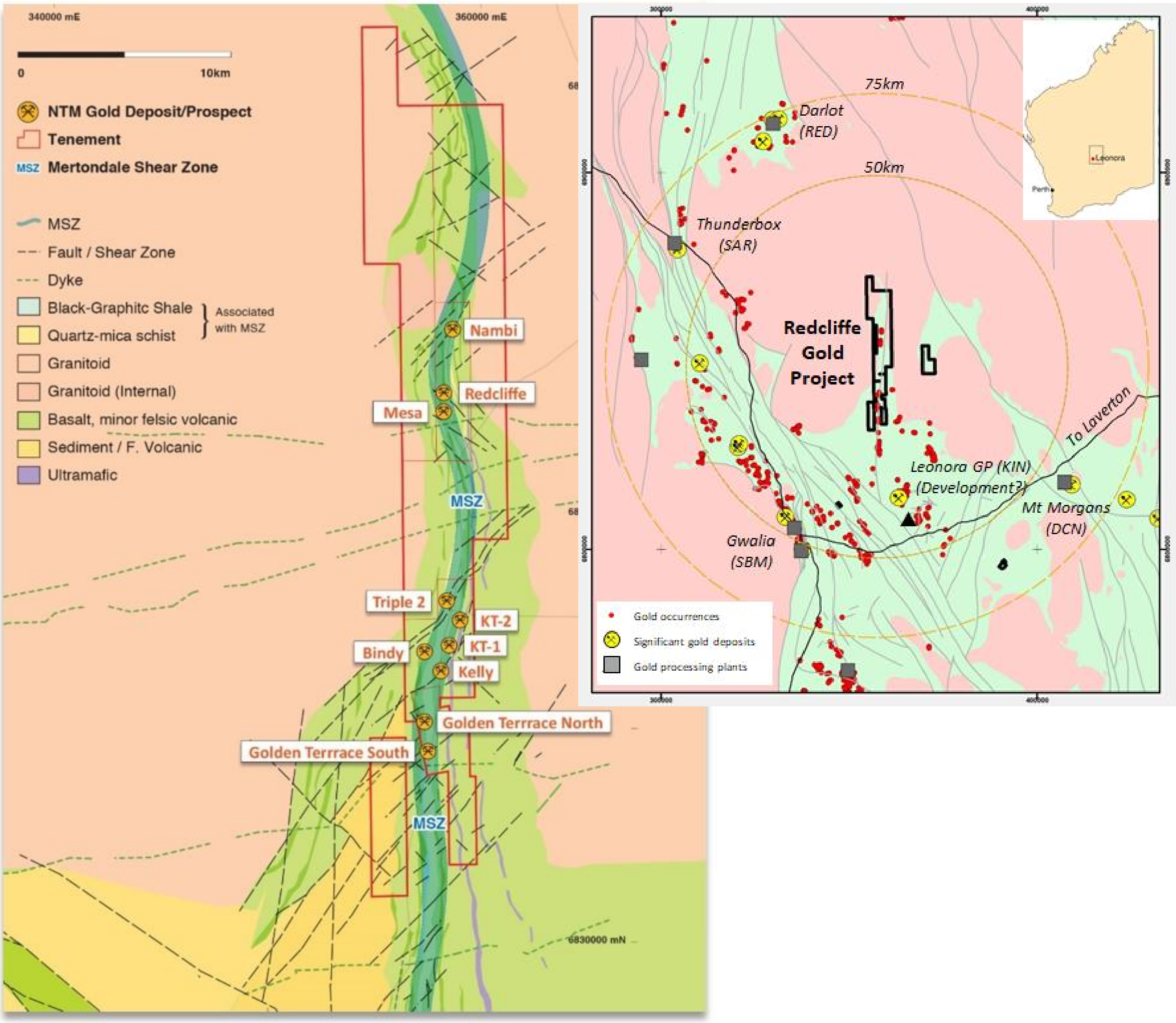
Directors' report (continued)

Review of operations

Redcliffe Gold Project

The Company's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Project area comprises approximately 170 km^2 and overlies Archaean-aged greenstones. The primary focus of exploration within the tenements is the Mertondale Shear Zone (MSZ), a regionally important gold-endowed structure.

Redcliffe Project



Overview

During the year, the Company undertook a number of drilling programs across the Project, primarily with the aim of infilling and extending known mineralisation. The Company completed 90 drill holes for 17,758m. Of this, the vast majority was reverse circulation drilling, for 17,067m, with the remainder diamond drilling. No aircore drilling was undertaken during the year, with programs focussed on the more advanced prospects and deposits.

This drilling was subsequently utilised in the updated resource estimate of 538koz of gold, completed in June 2018. The new resource was a 94% increase on the previous resource, as well as updating all deposits to JORC 2012 compliance.

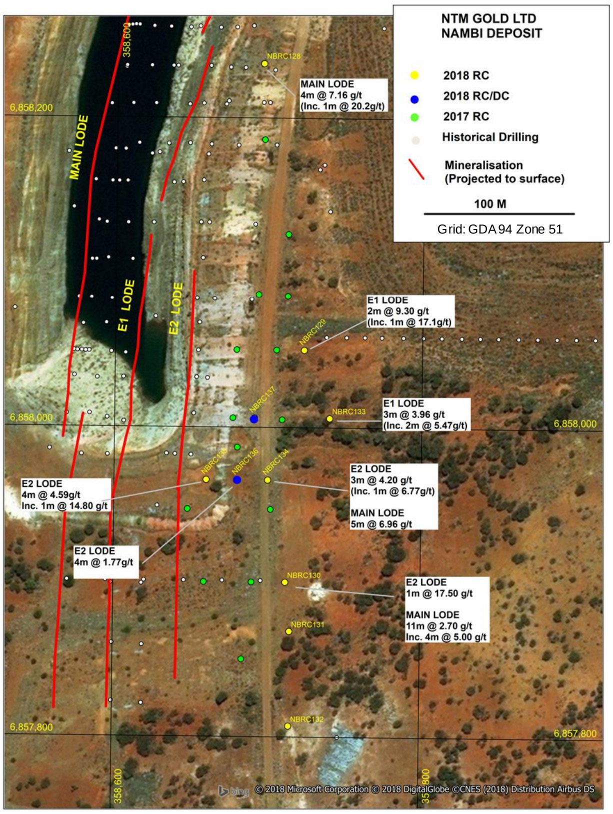
Directors' report (continued)

Review of operations (continued)

Nambi

The Nambi deposit, located towards the northern end of the Redcliffe project, was a key focus during the year. NTM completed 25 drill holes at Nambi, for 5,130m of RC and 240m of diamond. The drilling confirmed the grade distribution of the three Lodes of Main, E1 and E2. The Main Lode was the centre for historical open pit mining in the 1990s to depths of approximately 60m over 400m of strike. Historically, little attention was paid to the E1 or E2 lodes, with both only lightly drill tested.

The drilling was aimed at infilling and extending the deposit and returned a number of outstanding gold intersections. Successfully intersecting down plunge extensions to the high-grade zones which remain open to the south and at depth.

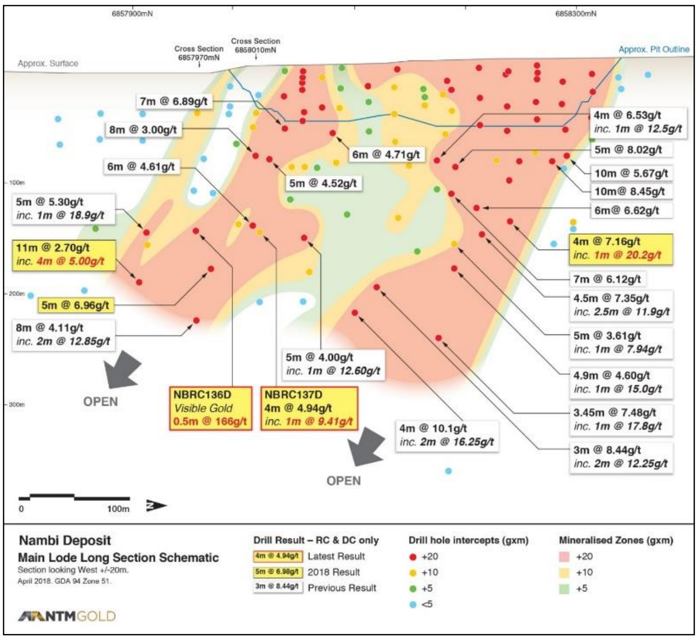


Better results included:

Hole	From	To	Assay Result		
NBRC113	65.0	69.0	4.0m	@	21.00g/t
	249.0	253.0	4.0m	@	10.10g/t
NBRC115	251.0	259.0	8.0m	@	4.11g/t
NBRC127	43.0	46.0	3.0m	@	14.20g/t
	175.0	181.0	6.0m	@	4.61g/t
NBRC128	162.0	166.0	4.0m	@	7.16g/t
NBRC134	233.0	238.0	5.0m	@	6.96g/t
NBRC136D	181.5	182.0	0.5m	@	166.00g/t
NBRC137D	63.5	64.0	0.5m	@	66.80g/t

Main Lode

The Main Lode intersections have helped refine the interpretation, confirming two discrete higher-grade southerly plunging shoots. Main Lode appears to pinch and swell, requiring detailed drilling to ascertain the grade distribution accurately. Future programs are likely to be a combination of step-out and infill drilling given the significance of the Main Lode mineralisation.



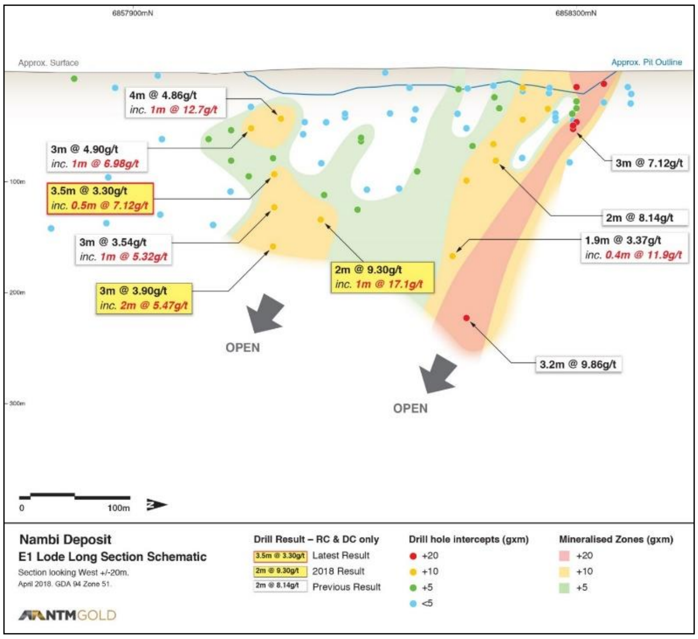
Directors' report (continued)

Review of operations (continued)

Nambi (continued)

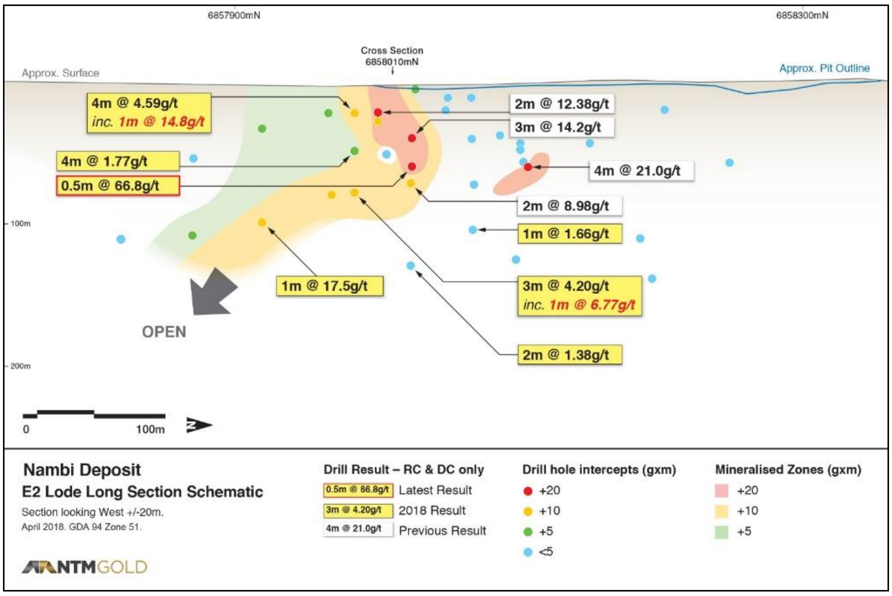
E1 Lode

The E1 Lode is also interpreted as two distinct shoots in a similar orientation to Main Lode. However, E1 has only been sparsely tested at depth because of the dip of the holes, which mainly targeted Main Lode. This limited testing at depth represents an obvious follow-up target. In addition, future drilling programs will infill drill between existing holes to better define the grade distribution.



E2 Lode

E2 is the eastern-most lode and has had the least amount of drilling because of its location, with the focus on the Main and E1 lodes. E2 appears to have a shallower southerly plunge and the higher-grade shoot is located further to the south relative to the other two lodes. Encouragingly, the E2 Lode also remains open down plunge to the south and is hosted in a similar geological sequence to the Main and E2 lodes. The deepest hole to date into E2 is to a depth of just over 140m, compared to depths of more than 250m at Main Lode. This lack of testing at depth and down plunge represents obvious follow-up targets for future drilling campaigns.



Directors' report (continued)

Review of operations (continued)

Golden Terrace South

The Golden Terrace South (GTS) deposit, is located at the southern end of the Redcliffe Project. The deposit is deeply weathered in parts, with intense weathering to more than 100m downhole.

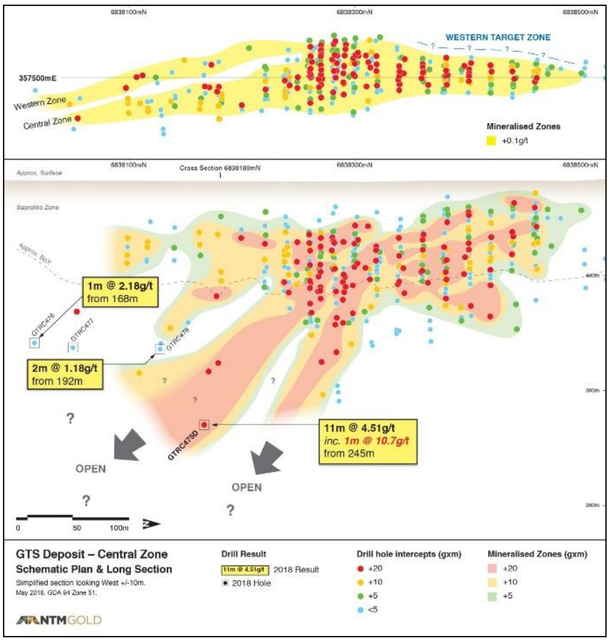
Gold mineralisation at GTS is hosted within a steeply dipping folded package of intermediate to felsic volcanics/tuff, black shales (graphitic in part), shale, siltstone and mafic schists. A strong shear fabric is apparent with mineralisation intimately associated with quartz veining/silicification and disseminated sulphides.

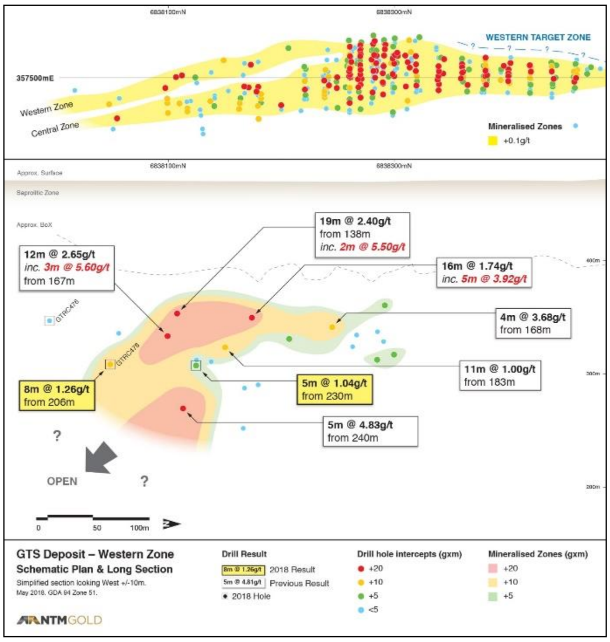
With the significant amount of drilling undertaken in prior years, GTS was only modestly drilled this year, mainly focussing on depth and plunge extensions. NTM completed 14 drill holes for 3,196m of RC and 169m of diamond.

The drilling highlighted the existing of two sub-parallel zones at depth in fresh material; the Western Zone and Central Zone. The Central Zone sits below the bulk of the oxide mineralisation, whereas the Western Zone is located 15m to 20m further to the west. Significantly, both zones remain open along the southern interpreted down plunge position.

This yearҀs drilling also indicated that GTS has evidence of tight folding along asymmetric fold axes. In addition, the deposit is interpreted to have a number of cross cutting structures that complicate the mineralisation, which may affect the gold distribution.

Like Nambi, the deposit remains open at depth and down plunge, and will require more deeper drilling in going forward.





Better results from the FY18 drill program included:

Hole	From	To	Assay Result		
GTRC416	206.0	210.0	6.0m	@	3.20g/t
GTRC417	167.0	179.0	12.0m	@	2.65g/t
Incl.	176.0	179.0	3.0m	@	5.90g/t
GTRC418	177.0	193.0	14.0m	@	3.50g/t
Incl.	181.0	185.0	4.0m	@	6.40g/t
GTRC441	191.0	207.0	16.0m	@	2.71g/t
Incl.	195.0	200.0	5.0m	@	5.99g/t
GTRC443	138.0	157.0	19.0m	@	2.40g/t
Incl.	143.0	148.0	5.0m	@	3.90g/t
GTRC444	241.0	246.0	5.0m	@	3.39g/t

Directors’ report (continued)

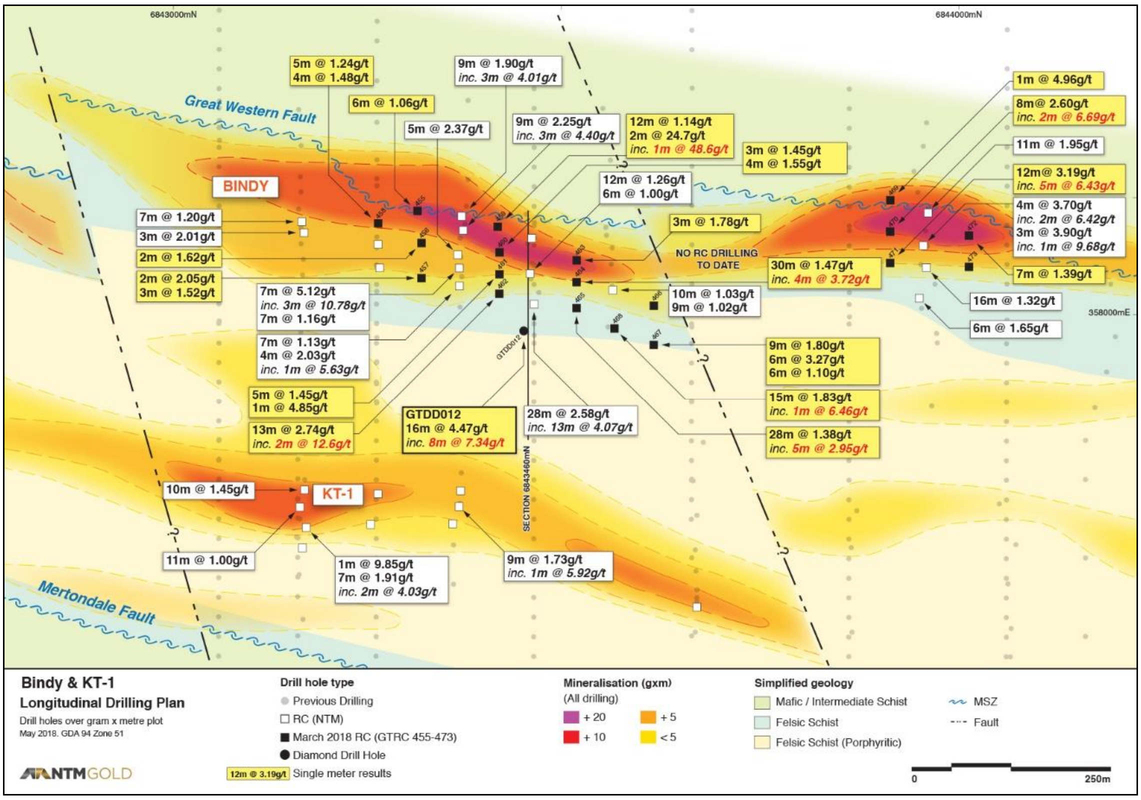
Review of operations (continued)

Bindy

The Bindy deposit is located in the bottom third of the Redcliffe Project area, towards the western side of the tenement package. The mineralisation is located along the Great Western Fault, in a similar geological setting to GTS. The deposit was discovered in early 2017 by NTM from aircore drilling. Consequently, the majority of work during FY18 concentrated on infill drilling the deposit, primarily using RC, as well as one diamond core hole. Consequently, Bindy has seen the most drilling during the year with 38 holes completed, comprising of 6,629m of RC and 282m of diamond core.

Like Nambi and GTS, the deposit has steeply dipping mineralisation at depth. The deposit has at least an 800m strike length, though remains open along strike and at depth. Within that, there is a 350m gap in the drilling that needs to be tested.

Bindy is spatially associated with the Great Western Fault, the western bounding structure of the gold-endowed Mertondale Shear Zone. A diamond hole, GTDD012, the deepest hole into the deposit which returned 16m @ 4.74 g/t gold from 222m, demonstrated that the mineralisation is within a package of highly sheared and folded felsic volcanic/tuff, black shales and intermediate schists which strike approximately north-south and dip steeply east. Like GTS, the deposit is highly weathered with oxidation more than 100m down hole.



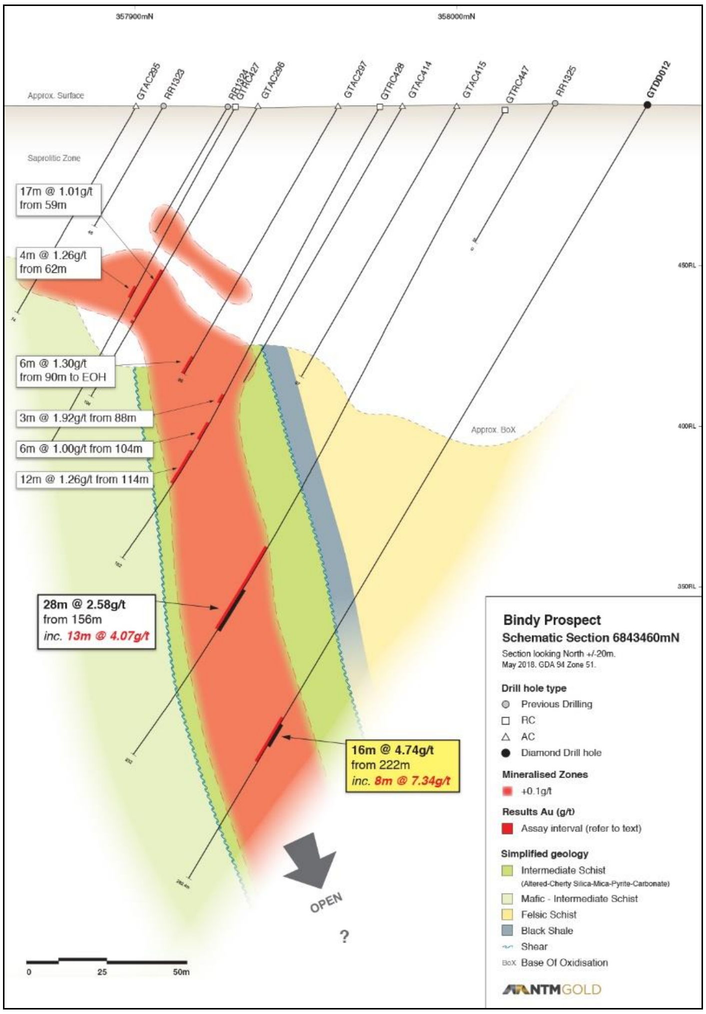
The drilling was undertaken in a number of rounds as the geometry and grade distribution became evident and led to the maiden resource estimate for the deposit. Better results from RC and diamond drilling during the year included:

Hole	From	To	Assay Result		
GTRC426	162	165	3.0m	@	10.78g/t
GTRC447	156	184	28.0m	@	2.58g/t
Incl.	172	184	13.0m	@	4.07g/t
GTDD0012	222	238	16.0m	@	4.74g/t
Incl.	224	232	8.0m	@	7.34g/t
GTRC459	83	85	2.0m	@	24.74g/t
Incl.	83	84	1.0m	@	48.60g/t
GTRC462	179	192	13.0m	@	2.75g/t
Incl.	186	188	2.0m	@	12.65g/t
GTRC471	81	93	12.0m	@	3.19g/t

Directors' report (continued)

Review of operations (continued)

Bindy (continued)



Other Prospects

There were three other prospects tested during the year, with only 13 holes completed between them, all following up on previous work. These were:

- KT-1 ï 10 RC holes for 1,668m,
- KT-2 ï 1 RC hole for 178m, and
- Triple 2 ï 2 RC holes for 266m.

Drilling at KT-1 and KT-2 intersected broad zones of 0.1 to 1.0 g/t mineralisation within highly sheared felsic volcanic rocks. The mineralised zones remain open in all directions and was present over several hundred meters of strike. More work is required to understand the significance of these intercepts. Better results included:

Hole	From	To	Assay Result
GTRC429	67	76	9.0m @ 1.73g/t
Incl	72	73	1.0m @ 5.92g/t
GTRC434	58	68	10.0m @ 1.45g/t

Directors’ report (continued)

Review of operations (continued)

Resource Upgrade

The Redcliffe Gold Project Mineral Resource estimate was updated during the year following a sustained period of RC and diamond drilling. Significantly, most deposits remain open down plunge and along strike representing opportunities for further expansion in the resource

The Mineral Resource estimate for the Redcliffe Gold Project is now 12.5mt @ 1.34g/t for 537.9koz, using a 0.5g/t lower cut-off grade. This represents a 94% increase over the previous Mineral Resource for the Project (5.48mt @ 1.57 g/t for 277.6koz, [indicated & inferred] estimated under the JORC 2004 guidelines, based on a 0.5g/t lower cut).

Table: Redcliffe Project Resource Estimate Summary – 0.5g/t Lower Cut-Off

Deposit	Indicated			Inferred			Total		
	T	g/t Au	Oz	T	g/t Au	Oz	T	g/t Au	Oz
Oxide	403,287	2.13	27,572	2,348,470	0.93	70,442	2,751,757	1.11	98,013
Transition	378,884	2.03	24,726	3,422,570	1.01	110,711	3,801,454	1.11	135,437
Fresh	971,109	2.35	73,409	5,001,083	1.44	231,018	5,972,192	1.59	304,427
Grand Total	**1,753,280**	**2.23**	**125,706**	**10,772,123**	**1.19**	**412,157**	**12,525,403**	**1.34**	**537,862**

Notes to Table

1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.

2. The Statement of estimates of Mineral Resources has been compiled by Mr Andrew Bewsher who is a full-time employee of BMGS and a Member of the AIG. Mr Bewsher has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).

3. All Mineral Resources figures reported in the table above represent estimates at 1st June 2018. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

4. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code ï JORC 2012 Edition).

The update incorporates infill and extensional RC and diamond drilling at a number of the Redcliffe deposits including Nambi, Bindy and Golden Terrace South (GTS).

This Mineral Resource update also breaks the deposits into oxide, transitional and fresh material for the first time. The estimate contains 2.8mt of oxide material, 3.8mt of transitional material and 5.9mt tonnes of fresh material.

As part of this update, the Mineral Resource estimates for the deposits that have not been drilled recently (Redcliffe, West Lode and Mesa) have been upgraded to meet the JORC 2012 guidelines.

This Mineral Resource estimate is a key milestone in the Company's history and demonstrates the potential of the Redcliffe Gold Project. The Mineral Resource will be a near-term value driver for the Company, with significant upside in and around the existing deposits as well as the potential to find new deposits across the Redcliffe Gold Project.

Directors' report (continued)

Review of operations (continued)

Regional Work

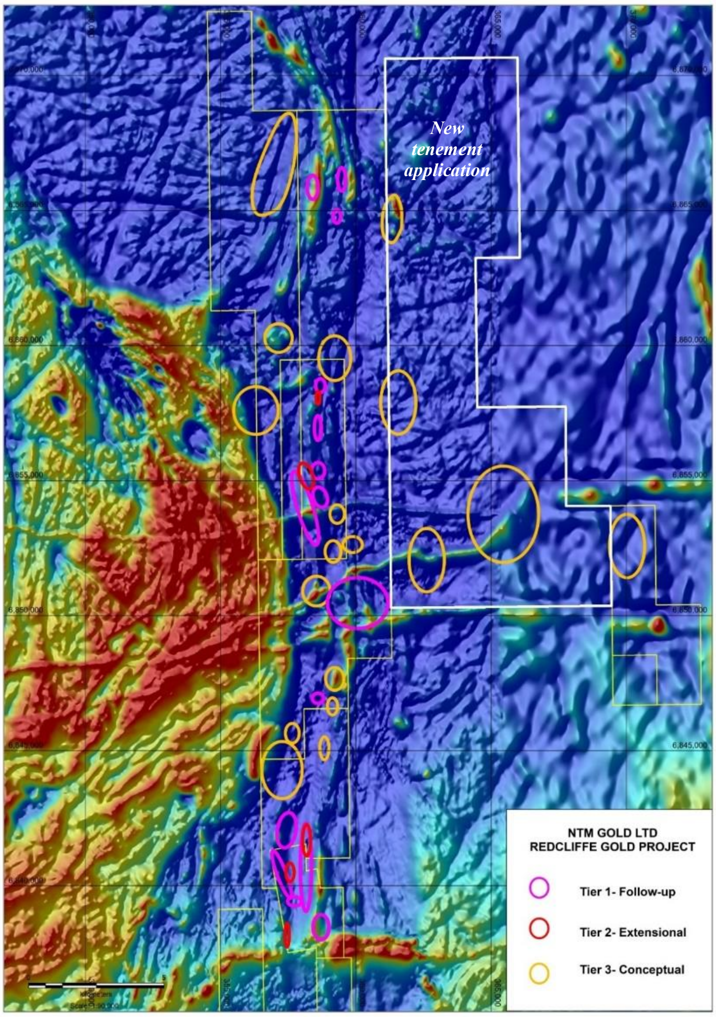
Towards the end of the reporting period, NTM commenced a new phase of exploration work on Redcliffe, following the resource drilling and updated Mineral Resource estimate.

Going forward, exploration will predominantly focus on the discovery of new deposits, with a large number of targets identified from an in-house technical and geological review. This work will aim to add to the current Mineral Resource base via new discoveries as well as incremental additions around the known deposits. Work will focus on three fronts:

1. Extensions to existing resources to demonstrate upside;
2. Following up historic aircore intercepts or soil sampling anomalies; and
3. Testing conceptual geological and structural targets.

The majority of deposits remain open at depth or strike or both and present obvious near-term exploration targets.

The geological review also identified a number of areas of interest to the east of the Redcliffe Project, prompting NTM to lodge an application for a new Exploration Licence between Redcliffe and Nambi East.



Corporate

Director Movements

Andrew Muir was appointed Managing Director of the Company on 12 January 2018. NTM substantial shareholder Edward (Ted) van Heemst joined the Board as a Non-Executive Director. In conjunction with these appointments, NTM CEO Rodney Foster transitioned to the role of Non-Executive (Technical) Director.

Mr Lloyd Jones tendered his resignation as a Director of NTM, effective 30 April 2018.

Mr Jones played a significant guiding role with the Company since his appointment to the board in 2011. NTM wishes to express its appreciation for the many years of service provided to the Company and its shareholders, initially in his capacity as Managing Director and then as a Non-Executive Director following the merger of the Company with Redcliffe Resources in April 2016.

Nambi East Acquisition

The Company entered into an agreement to acquire two Exploration Licences located 12km east of the Redcliffe Gold Project. The Exploration Licences (ELs) were acquired from a local prospector and cover 18km^2. The new project has been named Nambi East.

A number of nuggets and gold-encrusted specimen stones to 5 ounces (5-6cm long) have recently been discovered by local prospectors at Nambi East, supporting the Company's interpretation that the area is highly prospective for gold mineralisation.

The cost of the acquisition was $20,000 in reimbursements and $100,000 in NTM shares.

Directors' report (continued)

Review of operations (continued)

Corporate (continued)

Sale of Non-Core Assets

In June 2018 NTM entered into an agreement to dispose of the Company's interests in a number of exploration licence applications in the Northern Territory for $825,000 (including GST). These applications were non-core, with the Company focusing on the Redcliffe Gold Project, near Leonora in WA.

The sale covered a free carried minority interest in 25 exploration licence applications together with royalty interest. The sale was to an unrelated private entity. Settlement of the transaction was completed just after the quarter ended, with the receipt of the funds.

The proceeds of the sale will be directed towards funding the Company's exploration activities on the Redcliffe Project.

Competent Person Statement

The information in this report that relates to Exploration Results, is based on information compiled and/or reviewed by Mr Lyle Thorne who is a Members of The Australasian Institute of Mining and Metallurgy. Mr Thorne a full-time employee of NTM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Thorne consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Operating and financial review

Operating results for the year

The operating loss for the Group after income tax was $160,719 (2017: $716,842). The Group has continued to focus on development of its mining tenements during the year. As a result, the operating costs incurred during the year comprised mainly of costs associated with the general administration of the Group, compliance expenses incurred during the year and the impairment of exploration expenditure.

Review of financial condition

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

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

Review of financial position

The Group has cash reserves of $443,550 (2017: $867,685) and a net working capital position of $961,682 (2017: $560,240). The Group continues to be well placed to develop the business opportunities and conduct current activities however is required to secure additional funding to continue developing its Redcliffe Gold Project. The financial statements have been prepared on a going concern basis as the Directors are confident in the Group's ability to raise additional capital and manage discretionary spending. Refer Note 2(b) for further details.

Cash flows

The cash flows of the Group consisted of:

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

Risk management

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

Share issues

During the year no shares (2017: Nil) were issued on the exercise of options.

Grant of options

During the year 6,000,000 (2017: Nil) options were issued by the Group.

Directors' report (continued)

Operating and financial review (continued)

Summary of shares on issue at reporting date

The Group has the following securities on issue at 30 June 2018:

Security description	Number of securities
Fully paid shares	329,935,578
Options	6,000,000

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

Significant changes in the state of affairs

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

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

- On 28 September 2017, the Company announced the issue of 25,000,000 fully paid ordinary shares at a price of $0.04 to raise $1,000,000 by way of a share placement to sophisticated investors and the issue of 3,000,000 options.

- On 12 January 2018, the Company announced the appointment of Andrew Muir as Managing Director, Edward (Ted) van Heemst as Non-Executive Director and the transition of Rodney Foster from CEO to Non-Executive Director. Mr Muir's remuneration will comprise a base salary of $180,000 plus superannuation. He is eligible following shareholder approval in April 2018, for short term incentives totalling 3,000,000 performance rights in respect of ordinary shares and general performance rights in respect of 5,000,000 ordinary shares, the vesting conditions are set out in Appendix 1 to the announcement. A notice of meeting outlining full details of the Incentive Package will be sent to shareholders in due course seeking approval.

- On 23 January 2018, the Company announced the placement of 30,000,000 ordinary fully paid shares at a price of $0.05 per share to raise $1,500,000 and provide working capital for further exploration work at the Redcliffe Gold Project. The Company announced the issue of 1,818,182 ordinary fully paid shares at a price of $0.055 per share as consideration for the acquisition of exploration licenses previously announced on 20 November 2017 and the issue of 3,000,000 unlisted options over ordinary shares at a price of $0.0001 per option exercisable at $0.065 on or before 22 January 2021 as part of the capital raising fee.

- On 2 March 2018, the Company announced the change of Registered Office and Principal Place of Business to Unit 4, 20 Altona Street, West Perth WA 6005.

- On 25 June 2018 the Company announced the sale of mineral license applications in the Northern Territory for $825,000 (including GST).

Significant events after the reporting date

No matter or circumstance has arisen since 30 June 2018 that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

Likely developments and expected results of operations

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

Environmental regulation

The Group's environmental obligations are regulated under both State and Federal law. All environmental performance obligations are monitored by the Board and subjected from time to time to Government agency audits and site inspections. The Group has a policy of at least complying with, but in most cases exceeding, it's statutory environmental performance obligations. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2018.

Directors’ report (continued)

Remuneration report (audited)

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

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

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

Directors

Mr Andrew Muir	Managing Director ï appointed as Non-Executive Director on 12 January 2018.
Mr Paul Price	Chairman, Non-Executive Director - appointed as Non-Executive Director on 7 July 2016 and Chairman on 3 August 2016
Mr Rodney Foster	Non-Executive Director ï appointed as Non-Executive Director on 8 April 2016, Chairman on 27 June 2016 to 3 August 2016, Chief Executive Officer on 3 August 2016 to 12 January 2018
Mr Edward van Heemst	Non-Executive Director ï appointed as Non-Executive Director on 12 January 2018.
Mr Lloyd Jones	Non-Executive Director ï appointed as Non-Executive Director on 14 February 2011, Executive Managing Director from 20 June 2011 to 30 June 2016. Resigned 30 April 2018.

Remuneration governance

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

Principles used to determine the nature and amount of remuneration

The objective of the Groupõs remuneration policy for Directors and other Key Management Personnel is to ensure that:

- Remuneration packages properly reflect the duties and responsibilities of the person concerned; and
- Remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The remuneration framework has regard to shareholdersõ interests by:

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

The remuneration framework has regard to executivesõ interests by:

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

Directors’ report (continued)

Remuneration report (continued)

Use of remuneration consultants

No remuneration consultants were used by the Group during the 2018 year.

Voting at the group’s 2017 Annual General Meeting

The 2017 Remuneration Report tabled at the 2017 Annual General Meeting received a ñyesòvote of 92.5%.

Non-executive director remuneration

Objective

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

Structure

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

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

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

Non-Executive Directors have long been encouraged by the Board to hold shares in the Group. It is considered good governance for Directors to have a stake in the Group on whose Board he or she sits. The Group considers the granting of options as a long-term variable component of the remuneration of Key Management Personnel as it provides a direct relationship as to increases in shareholders wealth via an increasing share price and the remuneration of individuals. During the year 2018 no cash bonus was paid to Directors (2017: Nil).

The remuneration of Non-Executive Directors for the year ending 30 June 2018 is detailed in the table on page 18 of this report.

Senior executive remuneration

Objective

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

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

Structure

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

Variable remuneration – short term incentives

Objective

Short Term incentives are used to recognise Directors and executives for the achievement of short term goals and successes. At this stage of the Groupõs life, there are currently no set Key Performance indicators by which short term incentives are measured, and therefore any payments are at the sole discretion of the board. No short term incentives of variable remuneration were paid to Key Management Personnel for 2018 and 2017.

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

Directors' report (continued)

Remuneration report (continued)

Variable remuneration – long term incentives

Objective

The objectives of long term incentives are to:

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

Structure

Long term incentives granted to senior executives has and will be delivered in the form of Performance Rights granted under the NTM Gold Performance Rights Plan adopted during the year.

Group performance

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

	2014 **$**	**2015** **$**	**2016** **$**	**2017** **$**	**2018** **$**
Revenue	123,081	144,602	16,741	65,318	757,263
Net Loss	(3,790,869)	(539,176)	(690,589)	(716,842)	(160,719)
Share price at year end	0.011	0.017	0.038	0.045	0.039
(Loss) per share (cents)	(3.77)	(0.53)	(0.50)	(0.29)	(0.05)

Short term and long term incentive to performance

The NTM Gold Performance Rights Plan was approved at the April 2018 General Meeting. The objective of the plan is to reward, retain and motivate senior executives in a manner that is aligned with the interest of shareholders.

Under the Plan, Eligible Participants may be granted Performance Rights. Vesting of any of the Performance Rights will be subject to the satisfaction of performance hurdles.

Each Performance Right represents a right to be issued one Share at a point in time, subject to the satisfaction of any vesting conditions. No exercise price will be payable and eligibility to receive Performance Rights under the Plan will be at the Board's discretion.

The quantum of Performance Rights to be granted will be determined with reference to market practice and will be subject to approval by the Board and where required, Shareholders.

The Plan will enable the Company to make grants to Eligible Participants so the short term and long term incentives form a key component of their total annual remuneration. This will better align the remuneration package of Eligible Participants with those of Shareholders.

The Board believes that the grants under the Plan will serve a number of purposes including:

(a) acting as a retention tool; and
(b) to focus attention on future shareholder value generation.

The Plan is a move towards a structure that will reward long term sustained Shareholder value generation. Performance will be assessed in accordance with the structure of the incentive parameters on each respective package over a period of up to three years.

Any grants under the Plan will be subject to satisfaction of performance hurdles. Appropriate performance hurdles will be formulated for each Eligible Participant to participate in the plan based on their role and responsibility in the Company.

It is proposed that Performance Rights will be issued to Eligible Participants in accordance with the rules of the Plan.

Directors’ report (continued)

Remuneration report (continued)

Employment contracts

Executives

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

Andrew Muir

Terms of Agreement ï

Base salary of $180,000 plus superannuation, effective 12 January 2018. He is also eligible for short-term incentives totalling 3,000,000 performance rights in respect of ordinary shares and general performance rights in respect of 5,000,000 ordinary shares.

The remuneration is subject to review every 12 months and may be terminated by the Company with 3 months written notice or payment in lieu of notice of three month's salary or by the employee giving one month's written notice; and

The Group may also terminate the contract at any time if any serious or persistent breach of any of the provisions contained in the Employment Agreement is committed.

Non-executives

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

Remuneration of key management personnel

Table 1: Remuneration for the year ended 30 June 2018

	Fixed remuneration					Total	Fixed remuneration	At risk – LTI
	Salary & fees $	Non-monetary benefits $	Annual leave and long service leave $	Post employment $	Share based payments $	$	%	%
Non-Executive Directors								
P Price	36,000	-	-	-	-	36,000	100%	
R Foster	36,000	-	-	-	-	36,000	100%	-
E van Heemst [1]	15,366	-	-	1,460	-	16,826	100%	-
L Jones [2,3]	87,750	-	-	8,337	-	96,087	100%	-
	175,116	**-**	**-**	**9,797**	**-**	**184,913**		
Executive Directors								
A Muir [1]	81,923	-	-	7,783	33,954	123,660	73%	27%
	81,923	**-**	**-**	**7,783**	**33,954**	**123,660**		
Total	**257,039**	**-**	**-**	**17,580**	**33,954**	**308,573**		

1. Appointed 12 January 2018.
2. Includes payments totalling $66,087 (2017: $15,413) for work undertaken in addition to Directors Fees.
3. Resigned 30 April 2018.

Table 2: Remuneration for the year ended 30 June 2017

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

1. Resigned on 8 November 2016.

Directors' report (continued)

Remuneration report (continued)

Shareholdings of key management personnel

30 June 2018	*Balance 01 Jul 17*	*Granted as remuneration*	*On exercise of options*	*Net change other*	*Balance 30 Jun 18*
Directors					
A Muir [1]	-	-	-	250,000	250,000
P Price	638,181	-	-	-	638,181
R Foster	17,995,402	-	-	-	17,995,402
E van Heemst [1]	-	-	-	21,000,000	21,000,000
L Jones [2]	2,761,942	-	-	(2,761,942)	-
	21,395,525	**-**	**-**	**18,488,058**	**39,883,583**

1. Appointed 12 January 2018.
2. Resigned 30 April 2018. At resignation L Jones held 2,761,942 shares.

Compensation options granted during the year ended 30 June 2018

No compensation options were granted to Directors or Executives in the 2018 Financial Year.

No options were held by Directors or Executives as at 30 June 2018.

Compensation performance rights granted during the year ended 30 June 2018

The Board can decide to issue performance rights in relation to short and long term performance incentives under the NTM Gold Performance Rights Plan approved by shareholders at the April 2018 General Meeting.

During the year, 8,000,000 performance rights were issued to the Managing Director. The performance rights were issued in three classes, each with different performance milestones. Each performance share would convert into 1 ordinary share upon achievement of the performance milestones.

The Company has assessed the probability of each class being achieved and have recognised an expense over the expected vesting period, where applicable. The details of each class are tabled below:

Class	Number	Grant Date	Exercise Price	Underlying Share Price	Total Fair Value on Grant Date	Probability of achieving milestone at 30 June 2018	Percentage Vested
A	1,000,000	12/01/2018	Nil	$0.044	-	Less likely	0%
B	2,000,000	12/01/2018	Nil	$0.044	-	Less likely	0%
C	5,000,000	12/01/2018	Nil	$0.044	$220,000	More likely	0%

The total expense arising from share based payment transactions recognised during the 2018 year in relation to the performance rights issued was $33,954 (2017: $Nil) based on the "more likely than not" assessment, hence the fair value Is being expensed over the expected vesting period. This amount was included in Directors benefits expense. No performance rights vested during the 2018 year (2017: $Nil). The expected vesting date for Class C performance rights is 12 January 2021 at the date of this report.

The terms of the incentive scheme the Company agreed to grant to Mr Muir (or his nominee) require the following conditions to be met for the Performance Rights to vest:

(a) Class A Performance Rights require that the Company must have:
   i. raised and/or have committed equity funding of not less than $3m between the date of the Employment Contract (being 22 December 2017) and 30 June; and
   ii. the 20-day VWAP of NTM shares be not less than 8.5 cents per share for any period prior to 30 September 2018.

(b) Class B Performance Rights require that:
   i. the Company complete a 2012 JORC resource estimate of not less than 1 million oz of gold, based on a 0.5 g/t lower cut and an average grade of not less than 1.4 g/t Au, prior to conclusion of the second anniversary of the date of commencement of the employment; and
   ii. the 20-day VWAP of NTM shares of not less than 15 cents per share for any period prior to 31 December 2019; and
   iii. the Company raised and/or have committed equity funding of a further $2m (total $5m) by 31 March 2019.

Directors' report (continued)

Remuneration report (continued)

Compensation performance rights granted during the year ended 30 June 2018 (continued)

(c) Class C Performance Rights require that the Company complete a feasibility study demonstrating economic viability for development of a mining operation producing a minimum of 200koz over at least a three-year period within 36 months from the date of commencement.

These represent a combination of market or share price-based targets together with operational based targets.

The fair value of the equity-settled performance rights granted under the performance rights plan is estimated as at the date of grant using the barrier down and out model for performance rights taking into account the terms and conditions upon which the performance rights were granted.

For the performance rights granted on 12 January 2018 the valuation model inputs used to determine the fair value at the valuation date are as follows:

	Class A	Class B	Class C
Valuation date [1]	24 April 2018	24 April 2018	24 April 2018
Expiry date	30 September 2018	31 December 2019	23 April 2021
Share price at grant date	$0.044	$0.044	$0.044
Exercise price	-	-	-
Expected volatility	30%	30%	90%
Dividend yield	0.00%	0.00%	0.00%
Risk free interest rate	1.81%	2.11%	2.23%
Fair value at grant date	-	-	$0.044
Number granted	1,000,000	2,000,000	5,000,000
Total fair value	-	-	$220,000

1. *Valuation date relates to the date shareholders approved the Performance Rights.*

Other transactions and balances with key management personnel.

Mr A Muir
Salary and superannuation of $16,425 remained payable at year end.

Mr R Foster
Fees for consultancy and geological services including rental and hire costs provided by Mr Foster's related entity, Minico Pty Ltd as trustee for the Foster Family Trust of $93,312 (2017: $133,090 excluding GST) were incurred during the year.

An amount of $47,570 (2017: $68,378 excluding GST) being Directors fees of $9,000 (2017: $9,000 excluding GST), consultancy fees of $6,600 (2017: $4,800) and geological services including rental and hire costs of $26,670 (2017: $54,578 excluding GST) remained payable at year end.

Mr P Price
Fees for legal services provided by Mr Price's related entity, Price Sierakowski of $17,795 (2017: $4,482) were incurred during the year. An amount of $1,265 (2017: $Nil) remained payable at year end.

Directors fees of $3,000 (2017: $3,000) remained payable at year end.

Mr E van Heemst
Directors fees of $3,000 remained payable at year end.

Mr L Jones
Directors fees of $Nil (2017: $3,000) remained payable at year end.

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

End of audited remuneration report

Directors' report (continued)

Meetings of Directors

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

	Board of Directors	
	Number of Directors' meetings attended	**Number of Directors' meetings eligible to attend**
Current Directors		
A Muir [1]	6	6
P Price	12	12
R Foster	12	12
E van Heemst [1]	5	6
L Jones [2]	9	10

1. Appointed 12 January 2018.
2. Resigned 30 April 2018.

Committee membership

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

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

Indemnification and insurance of Directors and Officers

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

The Group has paid premiums totalling $11,100 (2017: $9,304) in respect of Directorsô and Officersô Liability Insurance and Group Reimbursement policies, which cover all Directors and officers of the Group. The policy conditions preclude the Group from any detailed disclosures.

Corporate governance

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

Non-audit services

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

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

No fees for nonï audit services were paid to the external auditors during the year ended 30 June 2017 or 2018.

Auditor independence

The Directors received the declaration included on page 22 of this annual report from the auditor of NTM Gold Limited.

Signed in accordance with a resolution of the Directors

Andrew Muir
Managing Director

Perth, Western Australia
27th day of September 2018

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

As lead auditor of NTM Gold Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

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

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

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 27 September 2018

Financial Statements

For the year ended 30 June 2018

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2018

	Notes	2018 $	2017 $
Interest received	7	**7,263**	11,775
Other income	8	**750,000**	53,543
Administration expenses		**(67,111)**	(71,003)
Compliance costs		**(241,065)**	(259,880)
Consultants fees		**(158,509)**	(208,306)
Depreciation expense	9(a)	**(13,088)**	(8,382)
Directorsôfees	9(b)	**(118,826)**	(129,850)
Employee benefits expense		**(94,854)**	(9,500)
Impairment of exploration and evaluation		**(148,460)**	(55,388)
Impairment of available-for-sale financial assets		**-**	(5,000)
Loss on disposal of non-current assets		**(1,438)**	(1,903)
Office accommodation expenses		**(20,205)**	(9,636)
Travel expenses		**(20,472)**	(21,574)
Share based payment expense	25	**(33,954)**	-
Unrealised foreign exchange loss		**-**	(1,738)
Loss before income tax		**(160,719)**	(716,842)
Income tax benefit	10	**-**	-
Loss after income tax for the year		**(160,719)**	(716,842)
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive loss for the year attributable to owners of NTM Gold Limited		**(160,719)**	(716,842)
Loss per share for loss attributable to the ordinary equity holders of the Group:			
Basic loss per Share (cents per share)	12(b)	**(0.05)**	(0.29)
Diluted loss per Share (cents per share)	12(b)	**(0.05)**	(0.29)

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

Consolidated statement of financial position

As at 30 June 2018

	Notes	2018 $	2017 $
Assets			
Current assets			
Cash and cash equivalents	13	**443,550**	867,685
Other receivables	14	**831,875**	49,177
Prepayments	15	**2,104**	1,173
Total current assets		**1,277,529**	918,035
Non-current assets			
Exploration and evaluation expenditure	17	**5,949,426**	3,387,826
Plant and equipment	18	**103,155**	43,920
Available-for-sale financial assets	16	**-**	-
Total non-current assets		**6,052,581**	3,431,746
Total assets		**7,330,110**	4,349,781
Liabilities			
Current liabilities			
Trade and other payables	19	**296,180**	357,795
Provisions	20	**19,667**	-
Total current liabilities		**315,847**	357,795
Total Liabilities		**315,847**	357,795
Net assets		**7,014,263**	3,991,986
Equity			
Equity attributable to equity holders			
Contributed equity	21	**19,513,794**	16,475,389
Reserves	22	**4,809,868**	4,665,277
Accumulated losses		**(17,309,399)**	(17,148,680)
Total equity		**7,014,263**	3,991,986

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

Consolidated statement of changes in equity

For the year ended 30 June 2018

		Attributable to Owners of NTM Gold Limited			
	Notes	Contributed equity	Reserves	Accumulated losses	Total
Consolidated		**$**	**$**	**$**	**$**
Balance at 1 July 2016		14,469,546	4,665,277	(16,431,838)	2,702,985
Loss for the year		-	-	(716,842)	(716,842)
Total comprehensive loss		-	-	(716,842)	(716,842)
Transactions with owners in their capacity as owners					
Contributions of equity	21	1,621,316	-	-	1,621,316
Transaction costs	21	(31,584)	-	-	(31,584)
Treasury shares sold	21	416,111	-	-	416,111
Balance at 30 June 2017		16,475,389	4,665,277	(17,148,680)	3,991,986
Loss for the year		-	-	**(160,719)**	**(160,719)**
Other comprehensive income		-	**-**	**-**	**-**
Total comprehensive loss		-	**-**	**(160,719)**	**(160,719)**
Transactions with owners in their capacity as owners					
Contributions of equity	21	**3,348,679**	**-**	**-**	**3,348,679**
Transaction costs	21	**(310,274)**	**-**	**-**	**(310,274)**
Options issued	22	**-**	**123,000**		**123,000**
Performance rights issued	22	**-**	**21,591**	**-**	**21,591**
Balance at 30 June 2018		**19,513,794**	**4,809,868**	**(17,309,399)**	**7,014,263**

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

Consolidated statement of cash flows

For the year ended 30 June 2018

	Notes	***2018 $***	*2017 $*
Cash flows from operating activities			
Payments to suppliers and employees		**(806,244)**	(728,008)
Other income		**-**	100
Interest received		**7,263**	11,822
Net cash outflows used in operating activities	23	**(798,981)**	(716,086)
Cash flows from investing activities			
Payments for exploration and evaluation		**(1,881,559)**	(974,305)
Payments for purchase of property, plant and equipment		**(54,537)**	-
Proceeds from disposal on investments		**-**	130,934
Net cash outflows used in investing activities		**(1,936,096)**	(843,371)
Cash flows from financing activities			
Proceeds from issue of shares		**2,500,000**	1,275,000
Payments for share issue costs		**(189,658)**	(29,801)
Proceeds from issue of options		**600**	-
Proceeds from sale of treasury shares		**-**	416,111
Net cash inflows from financing activities		**2,310,942**	1,661,310
Net increase/(decrease) in cash and cash equivalents		**(424,135)**	101,853
Cash and cash equivalents at beginning of financial year		**867,685**	765,832
Cash and cash equivalents at end of financial year	13	**443,550**	867,685

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

Notes to the consolidated financial statements

For the year ended 30 June 2018

1 Corporate information

The financial statements of NTM Gold Limited for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 27th September 2018.

NTM Gold Limited is a Group limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange Limited. The financial statements include NTM Gold Limited and its subsidiaries (the Group) for 30 June 2018.

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

2 Summary of significant accounting policies

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

(a) Basis of preparation

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

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

(ii) New and amended standards adopted by the Group
None of the new standards and amendments to standards that are mandatory for the first time for the financial year ended 30 June 2018 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

The Group has not early adopted any new accounting standards.

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

(b) Going concern basis

For the year ended 30 June 2018 the Group recorded a loss of $160,719, net cash outflows from operating activities of $798,981 and net working capital of $961,682. Furthermore, the Directors have prepared a cash flow forecast which indicates that the Group would be required to raise funds to provide additional working capital to continue developing its Redcliffe Gold Project.

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

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

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

2 Summary of significant accounting policies

b) Going concern basis (continued)

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

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

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

(c) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of NTM Gold Limited ('company' or 'parent entity') as at 30 June 2018 and the results of all subsidiaries for the year then ended. NTM Gold Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

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

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

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

(ii) Changes in ownership interests

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

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

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

2 Summary of significant accounting policies (continued)

(d) Segment reporting

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

(e) Cash and cash equivalents

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

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

(f) Trade and other receivables

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

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

(g) Investments and other financial assets

Classification

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

(i) Loans and receivables

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

(ii) Available-for-sale financial assets

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

2 Summary of significant accounting policies (continued)

(g) Investments and other financial assets (continued)

Measurement

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

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

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

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

Impairment

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

(i) Assets carried at amortised cost

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

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

(ii) Assets classified as available-for-sale

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

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

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

2 Summary of significant accounting policies (continued)

(h) Exploration and evaluation expenditure

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

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

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

Impairment

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

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

(i) Plant and equipment

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

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

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

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

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

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

2 Summary of significant accounting policies (continued)

(j) Leases

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

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

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

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

(k) Impairment of non-financial assets

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

(l) Trade and other payables

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

(m) Provisions and employee leave benefits

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

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

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

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

2 Summary of significant accounting policies (continued)

(n) Share-based payment transactions

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

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

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

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

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

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

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

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

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

(o) Contributed Equity

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

(p) Interest income

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

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

2 Summary of significant accounting policies (continued)

(q) Income tax and other taxes

Tax Consolidation

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

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

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

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

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

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

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

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

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

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

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

Other taxes

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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

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

2 Summary of significant accounting policies (continued)

(r) Earnings per share

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

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

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

(s) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2018 and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 9 Financial Instruments

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

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

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

AASB 15 Revenue from Contracts with Customers

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

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

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

AASB 16 Leases

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

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

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

3 Financial risk management objectives and policies

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

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

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

(a) Credit risk

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

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

(b) Liquidity risk

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

(c) Market risk

(i) Interest rate risk

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

(ii) Price risk

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

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

4 Significant accounting judgements, estimates and assumptions

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

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

4 Significant accounting judgements, estimates and assumptions (continued)

(a) Impairment of capitalised exploration and evaluation expenditure

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

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

The Group follows the guidance of AASB 6 *Exploration for and Evaluation of Mineral Resources* to determine when capitalised exploration and evaluation expenditure is impaired. At the end of the reporting period the Group assessed that certain expenditure relating to tenements should be written off together with other exploration related costs. As a result, exploration costs of $148,460 (2017: $55,388) have been written off during the year.

(b) Share-based payment transactions

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

(c) Recognition of deferred tax assets

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

5 Segment information

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

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

6 Subsidiaries

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

Name of entity	Country of incorporation	Class of shares	2018 %	2017 %
Reflective Minerals Pty Ltd	Australia	Ordinary	100	100
North Manganese Pty Ltd	Australia	Ordinary	100	100
Redcliffe Resources Limited	Papua New Guinea	Ordinary	100	100

	2018 $	*2017 $*
7 Interest received		
Interest revenue	**7,263**	11,775
8 Other income		
Proceeds on disposal of mineral interests	**750,000**	100
Net gain on sale of available-for-sale financial assets	**-**	53,443
	750,000	53,543
9 Expenses		
(a) Depreciation		
Depreciation	**13,088**	8,382
(b) Directors fees included in statement of profit or loss and other comprehensive income		
Director fees	**114,764**	125,616
Superannuation costs	**4,062**	4,234
	118,826	129,850
10 Income tax		
(a) The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss from continuing operations before income tax expense	**(160,719)**	(716,842)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2017: 30%)	**(48,216)**	(215,053)
Add tax effect of:		
Tax losses and timing differences not brought to account	**48,216**	215,053
Income tax benefit	**-**	-

10 Income tax

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

	2018	*2017*
	$	*$*
Deferred tax liabilities:		
Exploration and evaluation expenditure	**(1,423,143)**	(619,153)
Prepayments	**(631)**	(352)
Deferred tax asset netted off against deferred tax liability	**1,423,774**	619,505
	-	-
Deferred tax assets:		
Accrued audit fees	**8,918**	8,918
Employee Provisions	**5,900**	-
Capital raising costs	**59,733**	13,074
Tax losses	**9,681,483**	8,849,983
Tax asset utilised to offset deferred tax liability	**(1,423,774)**	(619,505)
Deferred tax asset not recognised	**(8,332,260)**	(8,252,470)
	-	-
Net deferred tax assets/(liabilities)	**-**	-

The Group has tax losses of $32,196,610 (2017: $29,499,942), including losses transferred on acquisition of Redcliffe Resources Limited that are available indefinitely for offset against future taxable profits of the Group. The recoupment of available tax losses as at 30 June 2018 is contingent upon the following:

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

11 Dividends paid and proposed

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

12 Loss per share

(a) Loss used in calculating loss per share

	2018	*2017*
	$	*$*
For basic and diluted loss per share:		
Loss attributable to owners of NTM Gold Limited	**(160,719)**	(716,842)

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

(b) Weighted average number of shares

	2018	*2017*
	Number	*Number*
Weighted average number of ordinary shares used in calculating basic and diluted loss per share.	**301,095,341**	243,385,437
Basic and diluted loss per share (cents per share)	**(0.05)**	(0.29)

(c) Information on the classification of securities

(i) Options

6,000,000 options (2017: Nil) issued are considered to be potential ordinary shares but have not been included in the calculation of earnings per share as they are not dilutive.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

		2018	*2017*
		$	*$*
13	**Cash and cash equivalents**		
	Cash at bank and in hand	**443,550**	867,685

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

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

		2018	*2017*
		$	*$*
14	**Other receivables**		
	GST receivable	**-**	49,177
	Proceeds receivable on sale of tenements	**825,000**	-
	Other	**6,875**	-
		831,875	49,177
15	**Prepayments**		
	Prepaid insurance premiums	**2,104**	1,173
16	**Available-for-sale financial assets**		
	Listed equity securities:		
	Balance at beginning of the year	**-**	82,491
	Proceeds from sale of equity securities	**-**	(130,934)
	Gain recognised in profit or loss as other income, being reclassified from other comprehensive income on sale	**-**	53,443
	Impairment of available-for-sale financial assets	**-**	(5,000)
	At 30 June	**-**	-
17	**Exploration and evaluation**		
	Balance at beginning of the year	**3,387,826**	1,977,540
	Acquisition of additional tenements	**129,036**	6,637
	Expenditure incurred	**2,581,024**	1,459,037
	Expenditure written off	**(148,460)**	(55,388)
	At 30 June	**5,949,426**	3,387,826

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

The Group follows the guidance of AASB 6 Exploration for and Evaluation of Mineral Resources to determine when capitalised exploration and evaluation expenditure is impaired. At the end of the reporting period the Group assessed that expenditure relating to tenements in the Groote Eylandt and Blue Mud Bay projects that were under veto or in application should be written off together with other exploration related costs. As a result, exploration costs of $148,460 (2017: $55,388) have been written off during the year.

Refer to note 4(a) for further details.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

		2018 $	2017 $
18	**Plant and equipment**		
	Plant and equipment at cost	**83,250**	64,034
	Disposals	**(1,810)**	(2,330)
	Accumulated depreciation	**(36,305)**	(31,233)
	Net carrying amount	**45,135**	30,471
	At July 1, net of accumulated depreciation	**30,471**	34,431
	Additions	**21,546**	-
	Disposals	**(306)**	(81)
	Depreciation charge for the year	**(6,576)**	(3,879)
	As at 30 June, net of accumulated depreciation	**45,135**	30,471
	Furniture & fittings at cost	**11,475**	2,769
	Disposals	**(1,669)**	-
	Accumulated depreciation	**(1,710)**	(812)
	Net carrying amount	**8,096**	1,957
	At July 1, net of accumulated depreciation	**1,957**	2,174
	Additions	**8,705**	-
	Disposals	**(1,132)**	-
	Depreciation charge for the year	**(1,434)**	(217)
	As at 30 June, net of accumulated depreciation	**8,096**	1,957
	Motor vehicles at cost	**69,442**	62,624
	Accumulated depreciation	**(55,710)**	(51,132)
	Net carrying amount	**13,732**	11,492
	At July 1, net of accumulated depreciation	**11,492**	15,323
	Additions	**6,818**	-
	Disposals	**-**	-
	Depreciation charge for the year	**(4,578)**	(3,831)
	As at 30 June, net of accumulated depreciation	**13,732**	11,492
	Professional library at cost	**-**	5,091
	Disposals	**-**	(5,091)
	Accumulated depreciation	**-**	-
	Net carrying amount	**-**	-
	At July 1, net of accumulated depreciation	**-**	2,277
	Additions	**-**	-
	Disposals	**-**	(1,822)
	Depreciation charge for the year	**-**	(455)
	As at 30 June, net of accumulated depreciation	**-**	-
	Leasehold improvements at cost	**36,693**	-
	Accumulated depreciation	**(501)**	-
	Net carrying amount	**36,192**	-
	At July 1, net of accumulated depreciation	**-**	-
	Additions	**36,693**	-
	Disposals	**-**	-
	Depreciation charge for the year	**(501)**	-
	As at 30 June, net of accumulated depreciation	**36,192**	-
	Total of all plant and equipment at cost	**200,860**	134,518
	Disposals	**(3,479)**	(7,421)
	Accumulated depreciation	**(94,226)**	(83,177)
	Net carrying amount	**103,155**	43,920

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

18 Plant and equipment (continued)

	2018 $	*2017* $
At July 1, net of accumulated depreciation	**43,920**	54,205
Additions	**73.762**	-
Disposals	**(1,438)**	(1,903)
Depreciation charge for the year	**(13,089)**	(8,382)
As at 30 June, net of accumulated depreciation	**103,155**	43,920

19 Trade and other payables

	2018 $	*2017* $
Trade payables (a)	**291,160**	357,795
GST payable	**5,020**	-
	296,180	357,795

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

20 Provisions

	2018 $	*2017* $
Employee Entitlements	**19,667**	-

21 Contributed equity

	2018 Shares	2017 Shares	**2018 $**	2017 $
Ordinary shares				
Issued and fully paid	**329,935,578**	257,271,244	**19,513,794**	16,475,389
Total contributed equity	**329,935,578**	257,271,244	**19,513,794**	16,475,389

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

	Shares	*$*
(i) Movement in ordinary shares on issue		
At 1 July 2016	214,397,257	14,469,546
7 to 12 July 2016 Disposal of shares *	11,888,889	416,111
9 November 2016 Shares issued to sophisticated investors	25,500,000	1,275,000
7 February 2017 Shares issued in lieu of professional services	1,250,000	75,000
31 March 2017 Shares issued in lieu of drilling services	2,275,468	164,516
23 June 2017 Shares issued in lieu of drilling services	1,959,633	106,800
Capital raising costs incurred	-	(31,584)
At 30 June 2017	257,271,247	16,475,389
23 August 2017 Shares issued in lieu of drilling services	**3,254,118**	**140,252**
30 August 2017 Shares issued in lieu of drilling services and exploration base improvements	**2,725,992**	**109,040**
28 September 2017 Shares issued to sophisticated investors	**25,000,000**	**1,000,000**
9 November 2017 Shares issued in lieu of drilling services	**6,823,420**	**341,171**
18 December 2017 Shares issued in lieu of drilling services	**3,042,619**	**158,216**
23 January 2018 Shares issued to sophisticated investors	**30,000,000**	**1,500,000**
23 January 2018 Shares issued in lieu of tenement acquisition	**1,818,182**	**100,000**
Capital raising costs incurred	**-**	**(310,274)**
At 30 June 2018	**329,935,578**	**19,513,794**

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

21 Contributed equity (continued)

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

	Shares
(ii) Movement in treasury shares	
At 1 July 2016	(11,888,889)
7 to 12 July 2016 Disposal of shares	11,888,889
At 30 June 2017	-

Options

Unlisted Options

The following unlisted options to subscribe for ordinary fully paid shares were granted during the year and outstanding at 30 June 2018:

- 3,000,000 options exercisable at $0.06 each and expiring on 10 November 2020.
- 3,000,000 options exercisable at $0.065 each and expiring on 22 January 2021.

No unlisted options lapsed or were forfeited during the year.

Capital risk management

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

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

22 Reserves

(a) Share based payments reserve

	2018 ***$***	*2017* *$*
At 1 July 2017	**4,665,277**	4,665,277
Performance rights	**21,591**	-
Options issued	**123,000**	-
At 30 June 2018	**4,809,868**	4,665,277

(b) Nature and purpose of reserves

Share based payments reserve

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

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

	2018 $	2017 $
23 Cash flow reconciliation		
Reconciliation of net loss after tax to net cash flows from operations		
Net loss	**(160,719)**	(716,842)
Adjustments for:		
Net gain on sale of available-for-sale financial assets	**-**	(53,443)
Depreciation	**13,088**	8,382
Impairment of available-for-sale financial assets	**-**	5,000
Loss on disposal of non-current assets	**1,438**	1,903
Equity settled transactions	**-**	75,000
Share based payments	**21,591**	-
Changes in assets and liabilities		
(Increase) / Decrease in prepayments	**(931)**	(187)
(Increase) / Decrease in trade and other receivables	**(709,618)**	(43,212)
Increase in trade and other payables	**36,170**	7,313
Net cash outflow from operating activities	**(798,981)**	(716,086)
Non-cash financing and investing activities		
Shares issued in lieu of drilling services, exploration base improvements and tenement acquisition	**848,679**	271,316
Options issued in lieu of capital raising costs	**122,400**	-
	971,079	271,316
Non-cash transactions		
Share issued in lieu of professional services	**-**	75,000

24 Related parties

(a) Compensation of key management personnel

	2018 $	2017 $
Short-term employee benefits	**257,039**	139,692
Share based payments	**33,954**	-
Post-employment benefits	**17,580**	5,571
	308,573	145,263

Detailed remuneration disclosures are provided in the remuneration report on pages 15 to 20.

(b) Other transactions and balances with related parties

Mr A Muir
Salary and superannuation of $16,425 remained payable at year end.

Mr R Foster
Fees for consultancy and geological services including rental and hire costs provided by Mr Foster's related entity, Minico Pty Ltd as trustee for the Foster Family Trust of $93,312 (2017: $133,090 excluding GST) were incurred during the year.

An amount of $47,570 (2017: $68,378 excluding GST) being Directors fees of $9,000 (2017: $9,000 excluding GST), consultancy fees of $6,600 (2017: $4,800) and geological services including rental and hire costs of $26,670 (2017: $54,578 excluding GST) remained payable at year end.

Mr P Price
Fees for legal services provided by Mr Price's related entity, Price Sierakowski of $17,795 (2017: $4,482) were incurred during the year.

Directors fees of $3,000 (2017: $3,000) remained payable at year end.

Mr E van Heemst
Directors fees of $3,000 remained payable at year end.

Mr L Jones
Directors fees of $Nil (2017: $3,000) remained payable at year end.

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

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2018

24 Related parties (continued)

(c) Parent entities

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

(d) Subsidiaries

Interest in subsidiaries are set out in note 6.

25 Share based payments

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

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

	2018	*2017*
	$	*$*
As part of administration expenses:		
Performance rights	**33,954**	-
Shares issued in lieu of Professional Services	**-**	75,000
Capitalised to Statement of financial position:		
Shares issued in lieu of drilling services, exploration base improvements and tenement acquisition	**848,679**	271,316
Options issued in lieu of capital raising costs	**122,400**	-
	1,005,033	346,316

Share based payment plans
Options

Unlisted Options

The following unlisted options to subscribe for ordinary fully paid shares were granted during the year and outstanding at 30 June 2018:

- 3,000,000 options exercisable at $0.06 each and expiring on 10 November 2020.
- 3,000,000 options exercisable at $0.065 each and expiring on 22 January 2021.

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

	2018 No.	**2018 Weighted average exercise price**	2017 No.	2017 Weighted average exercise price
Outstanding at the beginning of the period	**-**	**-**	6,000,000	$0.20
Granted during the period	**6,000,000**	**$0.06**	-	-
Expired during the period	**-**	**-**	(6,000,000)	$0.20
Outstanding at the end of the period	**6,000,000**	**$0.06**	-	-
Exercisable at the end of the period	**6,000,000**	**$0.06**	-	-

25 Share based payments (continued)
Share based payment plans (continued)
Fair value of options granted

The fair value of the equity-settled share options granted under the option plan is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

For the options granted during the current financial period, the valuation model inputs used to determine the fair value at the grant date are as follows:

	2018	
	Tier 1	Tier 2
Grant date	9 November 2017	22 January 2018
Expiry date	10 November 2020	22 January 2021
Share price at grant date	$0.04	$0.061
Exercise price	$0.060	$0.065
Expected volatility	80%	80%
Dividend yield	0.00%	0.00%
Risk free interest rate	0.01%	0.1%
Fair value at grant date	$0.017	$0.024
Number granted	3,000,000	3,000,000
Total fair value	$50,400	$72,000

The weighted average remaining life of options outstanding at the end of the year was 2.5 years.

Performance Rights

The Board can decide to issue performance rights in relation to short and long term performance incentives under the NTM Gold Performance Rights Plan approved by shareholders at the April 2018 General Meeting.

During the year, 8,000,000 performance rights were issued to the Managing Director. The performance rights were issued in three classes, each with different performance milestones. Each performance share would convert into 1 ordinary share upon achievement of the performance milestones.

The Company has assessed the probability of each class being achieved and have recognised an expense over the expected vesting period, where applicable. The details of each class are tabled below:

Class	Number	Grant Date	Exercise Price	Underlying Share Price	Total Fair Value on Grant Date	Probability of achieving milestone at 30 June 2018	Percentage Vested
A	1,000,000	12/01/2018	Nil	$0.044	-	Less likely	0%
B	2,000,000	12/01/2018	Nil	$0.044	-	Less likely	0%
C	5,000,000	12/01/2018	Nil	$0.044	$220,000	More likely	0%

The total expense arising from share based payment transactions recognised during the 2018 year in relation to the performance rights issued was $33,954 (2017: $Nil) based on the ‟more likely than not" assessment, hence the fair value Is being expensed over the expected vesting period. This amount was included in Directors benefits expense. No performance rights vested during the 2018 year (2017: $Nil). The expected vesting date for Class C performance rights is 12 January 2021 at the date of this report.

25 Share based payments (continued)
Share based payment plans (continued)
Performance rights (continued)

The terms of the incentive scheme the Company agreed to grant to Mr Muir (or his nominee) require the following conditions to be met for the Performance Rights to vest:

(a) Class A Performance Rights require that the Company must have:
  i. raised and/or have committed equity funding of not less than $3m between the date of the Employment Contract (being 22 December 2017) and 30 June; and
  ii. the 20-day VWAP of NTM shares be not less than 8.5 cents per share for any period prior to 30 September 2018.

(b) Class B Performance Rights require that:
  i. the Company complete a 2012 JORC resource estimate of not less than 1 million oz of gold, based on a 0.5 g/t lower cut and an average grade of not less than 1.4 g/t Au, prior to conclusion of the second anniversary of the date of commencement of the employment; and
  ii. the 20-day VWAP of NTM shares of not less than 15 cents per share for any period prior to 31 December 2019; and
  iii. the Company raised and/or have committed equity funding of a further $2m (total $5m) by 31 March 2019.

(c) Class C Performance Rights require that the Company complete a feasibility study demonstrating economic viability for development of a mining operation producing a minimum of 200koz over at least a three-year period within 36 months from the date of commencement.

These represent a combination of market or share price-based targets together with operational based targets.

The fair value of the equity-settled performance rights granted under the performance rights plan is estimated as at the date of grant using the barrier down and out model for performance rights taking into account the terms and conditions upon which the performance rights were granted.

For the performance rights granted on 12 January 2018 the valuation model inputs used to determine the fair value at the valuation date are as follows:

	Class A	**Class B**	**Class C**
Valuation date [1]	24 April 2018	24 April 2018	24 April 2018
Expiry date	30 September 2018	31 December 2019	23 April 2021
Share price at grant date	$0.044	$0.044	$0.044
Exercise price	-	-	-
Expected volatility	30%	30%	90%
Dividend yield	0.00%	0.00%	0.00%
Risk free interest rate	1.81%	2.11%	2.23%
Fair value at grant date	-	-	$0.044
Number granted	1,000,000	2,000,000	5,000,000
Total fair value	-	-	$220,000

1. *Valuation date relates to the date shareholders approved the Performance Rights.*

26 Financial risk management

The Group has exposure to the following risks from their use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk

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

26 Financial risk management (continued)

(a) Credit risk
Exposure to credit risk

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

	Carrying amount	
	2018	*2017*
	$	*$*
Cash and cash equivalents	**443,550**	867,685
Receivables	**831,875**	49,177
	1,275,425	916,862

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

(b) Liquidity risk
The following are the earliest contractual maturities of financial liabilities:

Consolidated 30 June 2018	**Carrying amount**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-interest bearing						
Trade and other payables	**296,180**	**296,180**	**-**	**-**	**-**	**-**
	296,180	**296,180**	**-**	**-**	**-**	**-**

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

(c) Market risk
(i) Interest rate risk

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

	2018 Floating interest rate $	2017 Floating interest rate $	**2018 Fixed interest rate $**	2017 Fixed interest rate $
Financial assets				
Cash and cash equivalents	**443,550**	867,685	**-**	-
Weighted average effective interest rate	0.542%	0.586%	**-**	-

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

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

		Post tax effect on:		Post tax effect on:	
Risk variable	**Sensitivity***	**Profit 2018**	**Equity 2018**	Profit 2017	Equity 2017
Interest Rate	+0.50%	**2,218)**	**-**	4,338	-
	-0.50%	**(2,218)**	**-**	(4,338)	-

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

27 Commitments and contingencies

Other expenditure commitments

Expenditure commitments at 30 June 2018 but not recognised as liabilities are as follows:

Exploration expenditure commitment

	2018	*2017*
	$	*$*
Within one year	**559,368**	515,817
After one year but not more than five years	**1,515,720**	1,816,868
More than five years	**3,717,099**	4,187,258
	5,792,187	6,519,943

Operating lease commitment

Within one year	**12,844**	-
After one year but not more than five years	**9,672**	-
More than five years	**-**	-
	22,516	-

Contingencies

The Company announced on 20 November 2017 that under the terms of acquisition for two Exploration Licenses the vendor will receive a royalty of $10 per ounce of gold produced from the license area and rights to undertake prospecting and metal detecting activities on the licences and gold produced from such activities. The Group has no other material contingent assets and liabilities.

28 Events after the reporting date

No matter or circumstance has arisen since 30 June 2018 which has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

29 Auditors' remuneration

	2018	*2017*
	$	*$*
Amounts received or due and receivable for:		
An audit and review of the financial report of the Group by BDO Audit (WA) Pty Ltd	**32,183**	36,158
Total Remuneration of Auditors	**32,183**	36,158

30 Parent entity disclosures

The following details information related to the entity, NTM Gold Limited, at 30 June 2018. The information presented here has been prepared using consistent accounting policies as presented

	2018	2017
	$	$
Financial position		
Assets		
Current assets	**1,270,090**	905,480
Non-current assets	**6,357,378**	2,854,475
Total Assets	**7,627,468**	3,759,955
Liabilities		
Current liabilities	**1,511,343**	665,047
Non-current liabilities	**-**	-
Total Liabilities	**1,511,343**	665,047
Equity		
Contributed equity	**19,513,794**	16,475,389
Reserve	**4,809,868**	4,665,277
Accumulated losses	**(18,207,537)**	(18,045,758)
Total equity	**6,116,125**	3,094,908
Financial performance		
Loss for the year	**(161,779)**	(1,481,142)
Other comprehensive income	**-**	-
Total comprehensive loss	**(161,779)**	(1,481,142)

Directors' declaration

The Directors of the group declare that:

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

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

   (b) Give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Group and the consolidated entity.

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

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

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

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

Andrew Muir
Managing Director

Perth, Western Australia
27th day of September 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of NTM Gold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NTM Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of NTM Gold Limited, 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 2018 and of its financial performance for the year ended on that date; and

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material uncertainty related to going concern

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
As the carrying value of the Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; • Recognition and valuation of purchase consideration for tenement acquisitions; and Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and We also assessed the adequacy of the related disclosures in Note 2(h), Note 4(a) and Note 17 to the Financial Report.

Accounting for Share Based Payments

Key audit matter	*How the matter was addressed in our audit*
During the year ended 30 June 2018, the Group issued shares, options and performance rights to directors, other key management personnel, employees and facilitators which have been accounted for as share-based payments. Refer to Note 25 of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transactions. Due to the complex and judgmental estimates used in determining the valuation of the share based payments, we consider the accounting for the share based payment expense to be a key audit matter.	Our audit procedures in respect of this area included, but were not limited to the following: • Reviewing the relevant agreements to obtain an understanding of the contractual nature of the share based payment arrangements; • Assessing management's determination of the fair value of the shares, options and performance rights issued. Considering the appropriateness of the valuation model used, and engaging internal valuation experts where considered necessary; and Assessing the adequacy of the disclosure in the financial report (refer Note 25).

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2018, 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of NTM Gold Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Director

Perth, 27 September 2018

ASX additional information

Additional information required by the Australian Stock Exchange Ltd Listing Rules and not disclosed elsewhere in this report is as follows. The information is current as at 14th September 2018.

Distribution of equity holdings

	Class of Equity Security	
	Number of Holders	Fully Paid Ordinary Shares
1 ï 1,000	209	93,672
1,001 ï 5,000	353	967,627
1,001 ï 10,000	237	1,905,680
10,001 ï 100,000	711	30,290,855
100,001 and over	351	296,677,744
	1,861	329,935,578

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There were 879 Shareholders holding less than a marketable parcel.

Twenty largest shareholders

Name of Holder	No. of Ordinary Shares Held	Percentage of Issued Capital %
Ausdrill International Pty Ltd	23,581,358	7.15
Mr Edward Van Heemst + Mrs Marilyn Elaine Van Heemst <Lynward Super Fund>	21,000,000	6.36
Mr Garry Patrick Connell + Mrs Devryn Lee Connell <Connell Contractors S/F A/c>	12,917,000	3.92
Shagay Pty ltd <The Shagay Unit A/c>	11,914,716	3.61
Suncity Corporation Pty Limited	11,729,695	3.56
Minico Pty Ltd	11,539,911	3.50
K Biggs Enterprises Pty Ltd	7,000,000	2.12
Kesli Chemicals Pty Ltd <Ruane S/F A/c>	6,550,000	1.99
Busang No 3 Pty Ltd <Goyne Super Fund A/c>	5,487,466	1.66
K Biggs Enterprises Pty Ltd	7,000,000	2.12
Trucking Nominees Pty Ltd <D J Reed Super Fund A/c>	4,850,000	1.47
Busang No 3 Pty Ltd <Goyne Superannuation Fund>	4,638,424	1.41
All States Finance Pty Limited	4,000,000	1.21
Mr Rodney Foster + Mrs Debra Foster <R & D Foster Super Fund A/c>	3,890,909	1.18
G Harvey Nominees Pty Ltd <Harvey 1995 A/c>	3,300,000	1.00
Citicorp Nominees Pty Limited	3,168,076	0.96
On Site Laboratory Services Pty Ltd	3,006,083	0.91
Toltec Holdings Pty Ltd	2,955,000	0.90
BLP (WA) Pty Ltd <EWH Superannuation Fund A/c>	2,900,000	0.88
RM Corporate Pty Ltd <Investment A/c>	2,586,086	0.78
Mr Robert Archer Black	2,500,000	0.76
Total	**149,514,721**	**45.32**

ASX additional information

Substantial shareholders

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

Name of Holder	No. of Ordinary Shares Held	Percentage of Issued Capital %
Ausdrill International Pty Ltd	23,581,358	7.15
Mr Edward Van Heemst + Mrs Marilyn Elaine Van Heemst <Lynward Super Fund>	21,000,000	6.36

Voting rights

All shares carry one vote per share without restriction.

Unlisted options on issue

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

Corporate Governance Statement

The Company has adopted the recommendations of the ASX Corporate Governance Council's Principles and Recommendations (3rd Edition) in regard to Corporate Governance Disclosures and provides disclosure of the Company's corporate Governance Statement on the Company website at: http://www.ntmgold.com.au.

Mineral tenements held at 14th September 2018:

Redcliffe Gold Project, Western Australia (NTM 100%)		
Tenement	**Status**	**Tenement Area (km²)**
M37/1276	Granted	7.80
M37/1285	Granted	5.34
M37/1286	Granted	17.48
M37/1295	Granted	14.97
E37/1205	Granted	69.50
P37/7948	Granted	0.89
E37/1288	Granted	12.00
E37/1289	Granted	45.00
E37/1259	Granted	1
E37/1270	Granted	15
ELA37/1356	Application	108.59
P39/5593	Granted	1.46
P39/5401	Granted	0.50