
QUARTERLY REPORT TO 31 December 2015

QUARTER OVERVIEW

- Northern Territory Vetoed Island Applications – requirement to lodge a new s41(6) application before 24 March 2016
- Redcliffe Project Update – Exploration Incentive Scheme (EIS) matching funds
- A loan agreement was entered into with RCF to provide funding for the merger costs.

PROJECT UPDATES – NORTHERN TERRITORY ASSETS

The Board have placed the Northern Territory Assets on hold whilst the current Moratorium remains in place. Management are currently reviewing the status of the two Islands held in Veto for Five (5) years which ends on 24 February 2016. The Company pursuant to s48(2) of the Aboriginal Land Rights (Northern Territory) Act 1976 has 30 days from the end of the Veto to lodge a further s41(6) application with the Anindilyakwa Land Council (ALC).

PROJECT UPDATE – WESTERN AUSTRALIA

Redcliffe Gold Project (RGP)

Together with our Joint Venture partners, planning is well underway for the next phase of Exploration and current programs of work applications have been submitted with the Department of Mines and Petroleum. These have been approved with the provision of additional environmental data.

Three target areas have been identified for RC and DDH drilling covering GTS, Nambi and Nambi South total of 16 holes for 2760m of RC and 560m of diamond core comprise the proposed drilling programs.

Aims of the proposed programs are to:

- Advance towards production at Golden Terrace South via open pit
- Meet tenement expenditure commitments
- Upgrade resource estimates from JORC 2004 to JORC 2012

NTM and RCF have also received advice from the Department of Mines and Petroleum's that our application for the Exploration Incentive Scheme (EIS) for drilling at Nambi was approved with matching funds up to \$75,000.

The Project Geologist is finalising a drilling program with Management for the first quarter of 2016.

Merger Update

RCF Counsel have advised that they will be seeking a further adjournment from the Federal Court on the on 3 February 2016. NTM will update shareholders when new hearing dates are advised.

Loan Agreement between RCF and NTM

A Credit Facility Agreement made between Redcliffe and NTM on 11 December 2015. Under the Credit Facility NTM has agreed to provide up to a maximum of \$170,000 to Redcliffe to fund agreed costs related to the proposed merger. The Credit Facility is unsecured, has an interest accrual rate of 10.00% per annum on the amount of the Credit

Facility drawn down. Upon successful completion of the proposed merger the loan is subsumed as an inter-company accounting item.

Mining Tenements Held as at 31 December 2015

Tenement	Status	Tenement Area (km ²)
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Groote Eylandt, Northern Territory (Northern Manganese 100%)		
A28131	Application	196.70
A28132	Application	115.00
A28133	Application	278.50
A28134	Application	772.90
A28135	Application	387.90
EL27521	Application	47.30
EL27522	Application	10.50
OEL28098	Application	1472.00
OEL28099	Application	1615.00
OEL28100	Application	1595.00
OEL28101	Application	1587.00
OEL28102	Application	1603.00
OEL28103	Application	1578.00
OEL28104	Application	1546.00
OEL28105	Application	1613.00
OEL28106	Application	1079.00

Blue Mud Bay, Northern Territory (Northern Manganese 100%)		
EL28085	Application	1,349.96
EL28086	Application	1,337.84
EL28087	Application	1,192.23
EL28089	Application	4.70
EL28090	Application	1.64
EL28091	Application	7.08
EL28092	Application	2.72

Redcliffe Gold Project, Western Australia (Northern Manganese 51%)		
Holder		
M37/1276	Redcliffe Resources Ltd *	Granted
M37/1285	Redcliffe Resources Ltd *	Granted

M37/1286	Redcliffe Resources Ltd *	Granted
M37/1295	Redcliffe Resources Ltd *	Granted
P37/7647	Redcliffe Resources Ltd *	Granted
P37/7948	Redcliffe Resources Ltd *	Granted
M37/1276	Redcliffe Resources Ltd *	Granted

*
transfers

awaiting stamping prior to lodgement.

Mining Tenements Acquired and Disposed during the December 2015 Quarter

Acquired:

Nil

Disposed:

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements during the December 2015 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed of during the December 2015 Quarter

Nil

Corporate

NTM and RCF established a loan agreement to enable the Merger to proceed in a timely manner and advanced \$86,000 during the quarter.

Costs for the Quarter

The balance of costs for the General Meeting of \$31,000 were paid with Directors Fees, Salary and Super of \$63,000, Travel and Compliance Costs of \$73,000 taking our administration costs to \$178,000 for the quarter.

Transaction costs of \$16,000 were also paid in relation to the Redcliffe Gold Project acquisition during the quarter.

Shares

Company	Number of Shares Held	Share Price 31 December 2015	Value 31 December 2015	Comments
Zenith (ZNC)	500,000	\$0.034	\$17,000	
Spitfire (SPI)	6,545,531	\$0.007	\$45,819	

Lloyd Jones
Managing Director